

ing Senate bill 3475, concerning certification of death of soldiers; to the Committee on the Judiciary.

By Mr. KAHN: Resolution of San Francisco Sales Managers' Association, urging the appointment by Congress of a business-planning commission; to the Committee on Ways and Means.

Also, resolution by members of local board No. 151, New York City, urging passage of legislation recognizing the various draft boards for their past services; to the Committee on Military Affairs.

By Mr. LUNDEEN: Petition of Minnehaha Lodge, No. 827, I. A. of M., of Minneapolis, Minn., requesting permanent Government control and eventual ownership of the railroads of the United States; to the Committee on Interstate and Foreign Commerce.

Also, petition of Electrical Workers' Local No. 528, of Minneapolis shops, Chicago, Milwaukee & St. Paul Railway, asking that the railroads remain under Government control; to the Committee on Interstate and Foreign Commerce.

By Mr. RAKER: Resolution urging the passage of Senate bill 4967, by faculty of State Normal School of San Jose, Cal.; to the Committee on Education.

By Mr. SCHALL: Resolution by Dr. S. N. Deinard, Rabbi Silbers, Rabbi Matt, Dr. Marcus, and M. Zipperman, and sundry other Jewish citizens of Minneapolis, Minn., urging intervention on behalf of the Jews in Poland and Galicia; to the Committee on Foreign Affairs.

## SENATE.

THURSDAY, December 19, 1918.

(Legislative day of Sunday, December 15, 1918.)

The Senate met at 12 o'clock noon on the expiration of the recess.

Mr. SIMMONS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Johnson, S. Dak.	Myers	Smith, Ga.
Bankhead	Jones, N. Mex.	New	Smith, Md.
Beckham	Jones, Wash.	Nugent	Smith, S. C.
Calder	Kellogg	Page	Smoot
Culberson	Kenyon	Penrose	Spencer
Curtis	Kirby	Phelan	Sutherland
Dillingham	La Follette	Pittman	Thomas
Fletcher	Lenroot	Polindexter	Townsend
Gay	Lodge	Pollock	Trammell
Gerry	McCumber	Pomerene	Underwood
Gronna	McKellar	Ransdell	Vardaman
Hale	McLean	Shafroth	Watson
Harding	McNary	Sheppard	Weeks
Hardwick	Martin, Ky.	Sherman	
Henderson	Martin, Va.	Simmons	
Johnson, Cal.	Moses	Smith, Ariz.	

Mr. McNARY. I desire to announce that my colleague [Mr. CHAMBERLAIN] is absent on official business.

Mr. TOWNSEND. I wish to announce the absence of my colleague [Mr. SMITH of Michigan] on account of illness.

Mr. McKELLAR. The senior Senator from Tennessee [Mr. SHIELDS] is absent owing to illness.

Mr. SUTHERLAND. My colleague the senior Senator from West Virginia [Mr. GORE] is absent on account of illness.

The VICE PRESIDENT. Sixty-one Senators have answered to the roll call. There is a quorum present.

### MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13261) providing for the transportation from the District of Columbia of governmental employees whose services no longer are required.

### ENROLLED BILL AND JOINT RESOLUTION SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bill and joint resolution, and they were thereupon signed by the Vice President:

H. R. 13261. An act providing for the transportation from the District of Columbia of governmental employees whose services no longer are required; and

S. J. Res. 187. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Member of Congress.

### SHIPS OF WAR SURRENDERED TO THE ALLIES.

Mr. LODGE. Mr. President, I know this is a recess and there is no opportunity for morning business, but I have a

Senate resolution of inquiry which I should like to have read to appear in the RECORD. I shall call it up at the proper time when we have routine business.

The VICE PRESIDENT. Without objection, the resolution will be read.

The Secretary read the resolution (S. Res. 390), as follows:

Resolved, That the Secretary of State be directed to inform the Senate whether the report that the peace delegates of the United States at Paris are advocating the destruction of the ships of war surrendered to the allies and to the United States is correct; and, if so, by what authority the delegates to the peace conference are demanding the destruction of enemy property in part surrendered to the United States.

### LEAGUE OF NATIONS.

Mr. PHELAN. Mr. President, on November 21, 1918, I submitted a resolution (S. Res. 351) approving the organization of a league of nations to prevent wars and enforce justice, which was ordered to lie on the table. I move that the resolution be taken from the table and be referred to the Committee on Foreign Relations.

The motion was agreed to.

### LIQUOR TRAFFIC.

Mr. OVERMAN, from the Committee on the Judiciary, to which was referred the bill (H. R. 2614) to amend sections 2139 and 2140 of the Revised Statutes and the acts amendatory thereof, and for other purposes, asked to be discharged from the further consideration of the bill and that it be referred to the Committee on Indian Affairs, which was agreed to.

### BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MYERS:

A bill (S. 5209) granting an increase of pension to David W. Herriman; to the Committee on Pensions.

By Mr. MOSES:

A bill (S. 5210) to donate a gun or howitzer to the town of Claremont, in the State of New Hampshire; to the Committee on Military Affairs.

A bill (S. 5211) granting an increase of pension to Henry S. Silsby (with accompanying papers); to the Committee on Pensions.

By Mr. LENROOT:

A bill (S. 5212) for the relief of Philip S. Everest; to the Committee on Claims.

### AMENDMENT TO LEGISLATIVE APPROPRIATION BILL.

Mr. JONES of Washington. I ask unanimous consent to submit an amendment intended to be proposed to the legislative, executive, and judicial appropriation bill. I simply wish to say that it relates to the compensation of clerks and assistants to Senators, which we have had up several times before, and on which I hope to have favorable action by the committee hereafter. I move that the amendment be referred to the Committee on Appropriations and printed.

The motion was agreed to.

### SALARIES OF FEDERAL JUDGES.

Mr. GORE submitted an amendment intended to be proposed by him to the bill (H. R. 12001) to amend an act entitled "An act to revise, codify, and amend the laws relating to the judiciary," approved March 3, 1911, which was referred to the Committee on the Judiciary and ordered to be printed.

### THE REVENUE.

Mr. KELLOGG submitted an amendment intended to be proposed to the bill (H. R. 12863) to provide revenue, and for other purposes, which was ordered to lie on the table and be printed.

### AERIAL MAIL SERVICE.

Mr. SHERMAN. Mr. President—

Mr. SIMMONS. Mr. President, I must object to further routine business to-day.

Mr. SHERMAN. May I offer a matter that I wish referred to the Committee on Military Affairs?

Mr. SIMMONS. I will be glad to yield to the Senator if he will just send it to the desk.

Mr. SHERMAN. Yes; it will take but a moment. I submit a communication from Capt. B. B. Lipsner, lately received, relating to the aerial mail service. I think it ought to go to the Committee on Military Affairs.

The VICE PRESIDENT. It will be so referred.

### THE REVENUE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 12863) to provide revenue, and for other purposes.

Mr. SIMMONS. When we recessed on yesterday, it was with the understanding that we should take up this morning the

section relating to the repeal of the zone system. I understand the Senator from Georgia [Mr. HARDWICK] is ready to proceed with it.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 276 the committee proposes to add a new section, to be known as section 1402, in the following words:

SEC. 1402. (a) That section 1103 of the revenue act of 1917 is hereby repealed.

(b) Section 1101 of such act is hereby amended to read as follows:

"SEC. 1101. That on and after July 1, 1919, the rates of postage on publications entered as second-class matter (including sample copies to the extent of 10 per cent of the weight of copies mailed to subscribers during the calendar year) when sent by the publisher thereof from the post office of publication or other post office, or when sent by a news agent to actual subscribers thereto, or to other news agents for the purpose of sale, shall be 1 cent per pound or fraction thereof for delivery within the first and second zones applicable to fourth-class matter, and 1½ cents per pound or fraction thereof for delivery within any other zone."

(c) This section shall take effect July 1, 1919.

Mr. HARDWICK. Mr. President, I hope to have the attention of Senators present, because I am not endeavoring to make a speech, but to present certain facts in behalf of the Post Office Department. Senators who are about to vote on this question undoubtedly will want to do so with the fullest information possible on the merits of the matter upon which they are about to vote. For that reason I express the hope that the Senate may give me its attention, and in return I promise to be as brief and compact in my statement of the matter as possible.

Under date of December 13, 1918, the Post Office Department sends me this memorandum respecting the proposed committee amendment:

The rates proposed in the revenue bill for second-class matter would abolish the present zone rates and make the flat rate of 1 cent a pound for the first zone of 150 miles; beyond that it would be 1½ cents per pound. This would make the old second-class rate apply to the first 150 miles and the increase beyond that but one-half cent per pound. This would possibly increase the revenue over the old rate—

That is, the old law before the war—

approximately \$4,000,000 annually, not as much additional revenue as will be derived from the present law during the first year.

The Senate will recall, let me say parenthetically, that in the first war-revenue bill we increased these rates through a period of years, climaxing, my recollection is, at the end of the third fiscal year.

If the amendment proposed in the revenue bill now before the Senate is finally made law, the second-class publications will be handled at an annual loss of approximately \$68,000,000. It was estimated that the zone rates now in effect would ultimately have increased the revenue on second-class matter about \$18,000,000 or \$20,000,000. Even at those rates in effect the loss would have been at least \$50,000,000 over the cost of transportation handling. The proposed rates will not pay the handling costs in any instance, let alone the transportation and other charges.

Mr. President, it is therefore evident to the Senate, unless Senators are prepared to dispute the statements of fact made by the Post Office Department, that second-class mail matter was being handled at the time this war began at an annual loss of approximately \$70,000,000. The figures have varied, I think, all the way from \$68,000,000 to \$73,000,000.

When we passed the last war-revenue bill it was finally voted into that bill that there should be an increase on the zone system, applicable to the advertising sections alone of newspapers and magazines, which the department now says it estimates at the period when the greatest increase would be applicable to reduce that loss, the deficit of handling this sort of matter from \$18,000,000 to \$20,000,000 per annum by that amount.

Now, the Senate Committee on Finance proposes, before this law can have but a few months' trial, to substitute for it a proposition which will not possibly increase the postal revenues from this class of matter more than \$4,000,000, and which will still leave the Government handling publications of that character and mail matter of that class at an annual loss of approximately \$60,000,000.

Mr. President, I think the most complete and comprehensive statement of the facts that was ever made with reference to this much-disputed matter was made on the 1st day of May, 1918, before the Senate Committee on Post Offices and Post Roads by the present able and efficient First Assistant Postmaster General, Mr. KOONS. The Publishers' Association, supporting Senator McKELLAR's proposition, had appeared before that committee. They had been given an extended and exhaustive hearing. At the conclusion of their hearing Mr. KOONS, representing the Government, appearing for the Post Office Department, presented what I regard as the most compact and complete statement of the facts with reference to this matter that has ever appeared in print.

The old law affecting second-class mail rates, or establishing them, which the Senate committee proposes to restore with a slight increase, almost inappreciable, of \$4,000,000, was passed

in 1885. Mr. KOONS, on that question, presenting the view of the department, made this short statement of fact to which I wish to invite the attention of the Senate. He said:

The matter of increased rates of postage on second-class matter has been pending for a great many years. The present low flat rate was enacted in 1885. It has been investigated by at least one commission and on numerous occasions by the department. Increased rates have been recommended by practically every Postmaster General for the last 12 or 15 years.

The act that goes into effect on the 1st of July, as you know, is a part of the revenue bill. The department's attitude on the legislation was stated yesterday by Senator HARDWICK, and is a matter of public record. The Congress has passed this legislation. The department is not in favor of any change or suspension of the law at this time.

The bill as passed, as you know, provides a separate rate for reading matter and advertising matter.

Proceeding with the statement before the committee, Mr. KOONS said—

Mr. POMERENE. May I ask the Senator what he is reading from?

Mr. HARDWICK. I am reading from the hearings before the Post Office Committee, May 1, 1918, the statement of the First Assistant Postmaster General, Mr. KOONS.

Continuing his statement before the committee, Mr. KOONS observed that the existing law—that is, the so-called zone system for advertising matter—had been framed by the department, by the Postmaster General, and by that officer of the Government presented to the conferees on the first war-revenue bill, by them adopted, and by them reported to both Houses of Congress, which finally assented thereto.

He continues:

The present low flat rate of 1 cent a pound has been in effect for many years, and that rate was fixed for the purpose of the dissemination of news and educational matter. It was the desire of the department that this flat rate be continued. At the time the present law was passed the advertising matter constituted about 5 per cent of the publications, and the flat rate will continue on publications that do not exceed this amount.

That was in 1885 that the per cent of advertising matter, taking the country as a whole and these publications as a whole, both magazines and newspapers, amounted to 5 per cent of the total contents of their respective publications.

Mr. KOONS appears there to go on to demonstrate from the facts on file in his office that the percentage of advertising matter carried in the publications of the country, both in magazines and newspapers, has increased to such an extent that to-day it is at least 50 per cent or probably more.

Mr. LA FOLLETTE. Mr. President, there was so much confusion in the Chamber at the time the Senator from Georgia made his statement as to the provisions of the old law that I am going to ask him to repeat it.

Mr. HARDWICK. Very well. The provisions of the old law—

Mr. LA FOLLETTE. I refer to the provisions of the law which was passed in 1917.

Mr. HARDWICK. The provisions of the old law, which imposed the present flat rate of 1 cent a pound—the purpose of which was to encourage the dissemination of educational matter throughout the country—should be continued on all reading matter, but that on advertising matter—and that is very easy to determine with a foot rule—the department would exact a slight increase, graduated through a scale to a climax at the end of the third fiscal year, from which increase the department estimates that from \$18,000,000 to \$20,000,000 of this \$70,000,000 deficit on this class of postal matter would be saved to the Government and to the Public Treasury at the end of the three-year period and annually thereafter.

Mr. KOONS, in proceeding with this proposition, took the Saturday Evening Post, Harper's Weekly, and a great many of the leading magazines throughout the country. He showed the development of the advertising proportion of their matter in each of these publications, beginning at a very low rate in 1885—an average of 5 per cent throughout the country—of advertising as compared to the total space in these publications, which has increased until it has reached an average of 50 per cent throughout the country.

I pause here, Senators, to show you the kind of matter which we are handling as mail. Now, here [exhibiting] is a recent issue of the Iron Age. Its weight is 5½ pounds. It is almost entirely advertising. Any Senator who desires to do so can examine it.

Mr. POMERENE. Mr. President, I desire to ask the Senator from Georgia who is the publisher of the Iron Age?

Mr. HARDWICK. I shall have to examine the publication in order to answer the Senator. I suppose it is published by a company, as most of these magazines are.

Mr. POMERENE. Mr. Penton is the publisher, is he not?

Mr. KELLOGG. Yes.

Mr. HARDWICK. He may be at the head of the company.



Mr. POMERENE. I may say that Mr. Penton is one of the most earnest advocates of the increase of postage on second-class mail matter.

Mr. HARDWICK. Well, it is very much to his credit; and I am glad to hear the Senator from Ohio make that statement.

Mr. POMERENE. The Senator will find, in the discussion which occurred on this question probably a year ago, that I introduced a letter from Mr. Penton urging the increase.

Mr. HARDWICK. I am very glad to hear the Senator say that, and it reflects very great credit on Mr. Penton.

Mr. POMERENE. I may also say that Mr. Penton not only has control of the publication to which the Senator from Georgia has called attention but he also has control of three or four or perhaps five other similar publications.

Mr. HARDWICK. Yes. I presume the Senator from Ohio knows the facts; and I again say that it is very much to the credit of this gentleman that he does not want to continue that indefensible graft which we are responsible for, if we continue the policy at the expense of the taxpayers and Treasury of this country.

I want to read to the Senate briefly an analysis made by the Post Office Department in reference to this particular magazine, the Iron Age.

Mr. KELLOGG. From what issue is the Senator from Georgia reading?

Mr. HARDWICK. I am reading from a statement of the department as to the issue of January 3, 1918. What I shall now read is not found in the hearings. The Iron Age is a weekly publication. The analysis is as follows:

Weight per copy	-----pounds-----	5 1/2
Circulation (weekly) (about)	-----	14,000
Estimates based on 90 per cent by mail (about)	-----	12,600
Pounds mailed this issue (about)	-----	64,000
Postage at 1 cent per pound paid on same	-----	640
If sent by express, charges, with war tax, would have been from 11 to 64 cents per copy	-----	
At minimum of 11 cents per copy	-----	\$1,386
Advertising rate per page	-----	

That is what the publisher or the publishing company got for advertising—

This issue	-----	\$42
Number pages advertising this issue	-----	692
Total number pages this issue	-----	848

So out of 848 pages, 692 were advertising—

Percentage of advertising	-----per cent-----	81
Advertising revenue this issue	-----	\$29,000
The Post Office Department lost nearly \$4,000 in the distribution of this one issue.	-----	

Mr. President, I next take up one of the trade journals, which is called the Hardware Age. The department sends me an analysis of a single copy of that publication. I am not going to bore the Senate by putting in a great number of these, but I am going to take two, merely to show that the one that I have offered is not exceptional. The analysis as to this issue of the Hardware Age of February 7, 1918, is as follows:

*Hardware Age, annual spring buying number, issue of Feb. 7, 1918.*

Weight per copy	-----pounds-----	2 1/2
Circulation (weekly) (about)	-----	18,000
Estimates based on 90 per cent by mail (about)	-----	16,200
Pounds mailed this issue (about)	-----	40,500
Postage at 1 cent per pound (present rate) (about)	-----	\$405
If sent by express, charges, with war tax, would have been from 11 cents to 36 cents per copy	-----	
At minimum of 11 cents per copy (about)	-----	\$1,782
Advertising rate per page this issue	-----	\$56
Number pages advertising this issue	-----	309
Total number pages this issue	-----	420
Percentage of advertising this issue	-----per cent-----	73
Advertising revenue	-----	\$17,304

The Post Office Department lost nearly \$2,500 in the distribution of this one issue.

I have had sent to me by the Post Office Department a great number of other exhibits of the same kind and type, demonstrating, as they do, a condition that ought to be intolerable to any man who knows the facts accurately, and representing a condition which I do not believe any Senator of the United States will vote to perpetuate and continue if he knows the truth about the matter.

Mr. SHAFROTH. Mr. President, I desire to ask whether or not there is any postage on the reading matter in these magazines over and above what there was under the old law?

Mr. HARDWICK. Not one penny is added. The original policy established by this Government was that, in order to encourage the dissemination of information among the masses of the people, which is necessary if democratic institutions are to be maintained and perpetuated, we would give practically a nominal rate for the diffusion among the people of that sort of information, and the law which the committee is now seeking to repeal left that policy absolutely unchanged and unaltered.

Mr. SHAFROTH. That is a rate of 1 cent per pound?

Mr. HARDWICK. Yes, sir; a rate of 1 cent a pound.

Mr. SHAFROTH. Now, I should like to ask the Senator whether the Government sustains a loss on the shipment of this second-class matter even at 1 cent a pound on the reading matter?

Mr. HARDWICK. Yes. I have already told the Senate that the loss by reason of that fact is \$70,000,000 a year.

Mr. SHAFROTH. Can the Senator estimate how much the loss is per pound?

Mr. HARDWICK. I can state to the Senator that the estimate of the Hughes Commission—and the department approved of it—was that it cost the Government 8 cents and a fraction per pound to handle and transport this second-class mail matter, taken as a whole. Therefore when we charged a cent a pound we lost over 7 cents a pound on every pound we handled. I will give the Senator from Colorado the exact figures, if he would like to have them, though I have stated them substantially.

Mr. SHAFROTH. I should like to have the exact figures.

Mr. HARDWICK. It is incomprehensible to my mind—

Mr. MYERS. Mr. President, I should like to ask the Senator if the committee purposes entirely repealing the law to which he has referred and going back to the old system?

Mr. HARDWICK. Almost that. The committee proposes that after—

Mr. MYERS. I should like to know what it does propose.

Mr. HARDWICK. The Senator will find it in the bill on page 276.

Mr. SHAFROTH. It establishes a rate of one and a half cents a pound after the second zone.

Mr. HARDWICK. After the second zone—which is 150 miles, according to my understanding—they propose to charge a cent and a half a pound instead of 1 cent, and a cent per pound even on such stuff as this [exhibiting] in the first zone.

Mr. MYERS. Then it is without limit after they get out of the first zone?

Mr. HARDWICK. After they pass the first two zones there will be charged a cent and a half, without any further charge for advertising matter or anything else.

Mr. SHAFROTH. And leaving a loss of six and a half cents on each pound shipped by the Government?

Mr. HARDWICK. Involving a loss of six and a half cents on each pound shipped by the Government, amounting, the Postmaster General says, to \$60,000,000 out of the pockets of the taxpayers and the Public Treasury of this country.

Mr. THOMAS. Mr. President, is it not also true that the owners of these periodicals, as to the short hauls, instead of taking advantage of the mails or of the mail routes use the express companies, because they find it cheaper? So they put the long haul upon the Government and deprive it of the profitable short haul by taking advantage of the express companies.

Mr. HARDWICK. Undoubtedly; but we have no right to expect anything else. That is just good business on their part.

Mr. THOMAS. Of course; and I am not complaining about it.

Mr. HARDWICK. But I understand the fact is as the Senator states it.

Mr. THOMAS. And it is something that ought to be considered in connection with this proposition.

Mr. HARDWICK. The Senator is quite right; that does not add to the beauties of the situation, considered from the standpoint of the taxpayer and the Public Treasury. But it seems to me that we have not any right as sensible men to expect that they as sensible business men will do anything else except that.

Mr. SHAFROTH. I should like to ask the Senator another question, namely, whether this cheap rate of postage, in the case of magazines particularly, has had a tendency to increase the advertising matter in the magazines and to make it more profitable to the magazines themselves?

Mr. HARDWICK. I think it has, of course; I think the Senator's question answers itself. Under this principle of the Government which we put into the law for the education of the people, a great commercial business has been built, which has been sustained and fostered and strengthened and enriched out of the Public Treasury and at the expense of the Nation. It is not only true, let me say to the Senator, with reference to the magazines, but it is true with reference to every newspaper in this country, daily and weekly alike.

Mr. SHAFROTH. Has the Post Office Department made any estimate as to the increase in advertisements and increase in their profits occasioned by the low rates?

Mr. HARDWICK. Yes, sir; I have made some reference to that, and, if the Senator will give me his attention, he will find that I am going to cover that pretty well, I think.

Mr. SHAFROTH. Very well.

Mr. HARDWICK. Mr. Koons continues—

We have been able to find a few of the publications in the Public Library. The Saturday Evening Post, for instance, on July 11, 1885, carried a total number of columns of 64. It carried 3.7 columns of advertising. In the issue of April 14, 1917, the total number of columns of that publication was 528, with 324 columns of advertising, or 61 per cent of advertising. It has increased from 5.8 in 1885 to 61 per cent of advertising.

Harpers Magazine apparently carried no advertising, so far as we are able to ascertain, in the early days. In the issue of January, 1885—

When the law establishing the 1-cent rate was originally put into effect—

it carried 48 columns (of advertising) out of a total of 328. In the issue of April, 1917, out of a total of 574 columns it carried 238 columns of advertising; or had increased from nothing to 41.49 per cent.

That statement is true with reference to a great number of other publications.

Mr. SMITH of Arizona. Nearly all of them.

Mr. HARDWICK. Yes. And let me say, Mr. President, that it is not only true with reference to the magazines, from which we all seem to be willing to require to render full and exact justice to the Public Treasury and to the people of the United States, but it is true with reference to the newspapers, that most of us want to favor and exempt in this matter. I will demonstrate that, too, before I finish.

I desire now, Mr. President, to ask permission to incorporate in my remarks, without wearying the patience of the Senate to read them, the tables to which I have referred.

The VICE PRESIDENT. Without objection, it is so ordered. The tables referred to are as follows:

Proportion of advertising to reading matter in certain publications of the dates indicated.  
SATURDAY EVENING POST, PHILADELPHIA, PA.

Date of issue.	Total columns contents.	Advertising columns.	Advertising.	Date of issue.	Total columns contents.	Advertising columns.	Advertising.
			Per ct.				Per ct.
Aug. 1, 1874....	48	11	3.12	July 22, 1876....	48	4.4	9.16
Oct. 17, 1874....	48	11	3.12	Jan. 3, 1885....	64	5.4	8.44
Dec. 30, 1874....	48	0.7	1.50	May 2, 1885....	64	3.2	5.00
Jan. 1, 1875....	48	8.1	17.00	July 11, 1885....	64	3.7	5.80
May 1, 1875....	48	7.5	15.62	Apr. 14, 1917....	528	234.0	41.00

HARPER'S MAGAZINE, NEW YORK, N. Y.

June, 1850.....	290	None.	None.	January, 1875..	302	None.	None.
July, 1850.....	290	None.	None.	June, 1875....	320	None.	None.
August, 1850....	296	None.	None.	October, 1875..	302	None.	None.
September, 1850.	288	None.	None.	January, 1885..	328	48	14.63
October, 1850....	296	None.	None.	May, 1885....	320	52	16.25
November, 1850..	280	None.	None.	October, 1885..	370	44	11.87
December, 1850..	288	None.	None.	April, 1917....	174	238	41.49

NORTH AMERICAN REVIEW, NEW YORK, N. Y.

January, 1850....	264	None.	None.	July, 1875.....	244	3	1.23
April, 1850.....	276	None.	None.	October, 1875..	208	23	3.61
July, 1850.....	272	None.	None.	January, 1885 <sup>1</sup>	116	18	15.51
October, 1850....	264	None.	None.	May, 1885 <sup>1</sup> ....	108	10	9.34
January, 1875....	252	7	2.78	October, 1885 <sup>1</sup>	114	6	5.31
April, 1875.....	280	7	2.70	April, 1917 <sup>1</sup> ..	178	16	8.99

<sup>1</sup> Monthly.

AMERICAN AGRICULTURIST, NEW YORK, N. Y.

January, 1850....	62	43	7.26	October, 1875..	120	29½	24.58
March, 1850....	64	7½	11.19	January, 1885..	144	45	31.25
October, 1850....	64	5½	8.85	March, 1885....	150	57	38.75
January, 1875....	132	35½	26.89	October, 1885..	150	58½	39.00
March, 1875....	120	33½	28.05	May 12, 1917..	80	32	40.00

Mr. HARDWICK. After giving these tables, Mr. Koons concludes with this proposition:

This shows—

That is, the tables referred to—  
that since the present law—

That is, the 1-cent law of 1885—

was passed a new feature has entered into the business of these publications, and that is the feature of advertising. They have commercialized to a large extent the second-class matter.

Mr. Koons was next asked to give to the committee the prices that these users of the second-class mail privilege get for their advertising, and he gives us a table showing what they get per page and per column. Take, for instance, the Saturday Evening Post. The price for advertising in that publication is \$5,000 a page and \$1,250 a column. The different publications receive varying amounts, but I am not going to weary the patience of the Senate by reading this table. I am going to ask, Mr. President, in a general way, permission to include each of the tables

to which I shall refer during the course of these remarks without other than the general permission from the Senate.

The VICE PRESIDENT. Without objection, it is so ordered.

The table last referred to by Mr. HARDWICK is as follows:

Prices for advertising.

	Page.	Column.
Christian Herald.....	\$900.00	\$255.00
Saturday Evening Post.....	5,000.00	1,250.00
Collier's Weekly.....	3,000.00	750.00
The Youth's Companion.....	1,600.00	475.00
Literary Digest.....	1,280.00	435.00
Harper's Magazine.....	225.00	112.50
American Magazine.....	1,200.00	429.00
Delicater.....	3,500.00	1,000.00
Everybody's.....	700.00	250.00
Farm Journal.....	2,205.00	750.00
Good Housekeeping.....	1,000.00	357.50
Ladies' Home Journal.....	6,000.00	1,600.00
Cosmopolitan.....	1,750.00	643.50
McCall's.....	2,100.00	804.00
McClure's.....	1,445.00	425.00
Metropolitan.....	1,400.00	350.00
Modern Priscilla.....	1,680.00	420.00
Review of Reviews.....	300.00	150.00
Scribner's.....	250.00	125.00
Successful Farming.....	1,800.00	600.00
Woman's Home Companion.....	3,800.00	1,000.00
World's Work.....	224.00	112.00
Iron Age.....	72.00	(?) 35.00
Engineering News-Record.....	(?) 48.00	(?) 24.00

Mr. SHAFROTH. Does the \$5,000 referred to by the Senator relate to the rate for advertising in one issue only or for a year or for a month?

Mr. HARDWICK. The rate for each issue.

Mr. SHAFROTH. For one issue?

Mr. HARDWICK. For one issue—\$5,000 a page and \$1,250 a column. If any Senator wishes to ask about any particular one of these publications, I have the information here for him, and I think I am prepared to give it, but he will find these tables in the RECORD if he will read them after they are printed.

The fact is, Mr. President, that these men have grown rich out of commercializing the Governmental principle of sending through the mail reading matter at a nominal rate among the people in order to maintain democratic institutions in a free country. The position of the Post Office Department, and my position here to-day, speaking for them and in my representative capacity, is that we ought to make these men, every one of them, pay to the extent to which they have commercialized this principle. It is all right to continue to let them educate our people, if by courtesy in some cases we still choose to term it "education," by sending out publications among them; but it is all wrong to let them commercialize the proposition to the extent of more than 50 per cent and to send out their advertising in books like this [exhibiting] at a cost of thousands of dollars to the Government for each issue of each one of these publications.

Mr. POMERENE. Mr. President—

Mr. HARDWICK. I yield to the Senator.

Mr. POMERENE. I have before me the letter of Mr. John A. Penton, of the Penton Publishing Co., written to me on June 7, 1917.

Mr. HARDWICK. I should be glad to have the Senator read it, if he cares to do so.

Mr. POMERENE. I will send it to the desk and ask to have it read.

Mr. HARDWICK. Is it a very long letter?

Mr. POMERENE. It is about a third of a column.

Mr. HARDWICK. I do not object to the Senator having it read.

The VICE PRESIDENT. In the absence of objection, the Secretary will read as requested.

The Secretary read as follows:

[From the CONGRESSIONAL RECORD of August 27, 1917, at page 6362.]  
THE PENTON PUBLISHING CO.,  
Cleveland, June 7, 1917.

HON. ATLEE POMERENE,  
United States Senate, Washington, D. C.

MY DEAR SIR: We desire to make a protest against the suggestion to increase, particularly at this time, the cost of letter postage to the people of the United States. A burden of more than \$60,000,000 a year would be imposed upon them if Congress puts into effect the proposal to advance the rate of the ordinary letter from 2 to 3 cents and of the postal card from 1 to 2 cents. This is seriously contemplated despite the fact that over \$70,000,000 is given annually as a subsidy to the publishers of America in the form of a rate of 1 cent a pound for carrying their publications when it costs perhaps 7 or more cents a pound to perform this service.

Receiving the benefit of this service there are actually, for instance, monthly publications weighing as little as 75 to the pound. In other words, one of these periodicals must be carried and delivered through the mails for six and one-fourth years for 1 cent.



A subsidy such as this is outrageous. In our judgment it would be entirely justifiable for our Government to pay a bounty to build up our merchant marine, which involves international competition; but in our domestic business Government aid is unwarranted, and those accepting it do, in a sense either consciously or unconsciously, make of themselves objects of charity. Congress has no jurisdiction over foreign ships which, under normal conditions, are the recipients of Government aid of one kind or another, but it might well overcome the handicap resting against American ships by some character of Federal assistance. Congress has, however, complete jurisdiction over all domestic enterprises, including publications.

The daily, weekly, and monthly periodicals of the United States have in a majority of cases carried on an incessant campaign against every real and imaginary form of special privilege for many years. At the same time they are themselves the greatest, most insistent, irrepressible, and unyielding seekers for Government aid in this or any other Nation. There is no more excuse, economic, educational, or sentimental, for this unrestrained expenditure of public funds than there would be were the Federal Treasury to subsidize our railroads, street cars, lighting systems, department or corner grocery stores.

To hand over \$70,000,000 annually to the publishers simply because they demand it is to yield to a "hold-up" of the most brazen kind. It is an example of Government extravagance which every Senator and Representative must know is indefensible.

To do this and then attempt to further penalize the business interests of America, who are the large buyers of postage stamps, while our first-class postage already shows a profit of upward of \$80,000,000 a year, is but little short of a crime.

To say the least, it is immoral, and our company does not desire to be the beneficiary of a system that is as much of a reflection upon those who receive it as it is upon those who give it.

Yours, sincerely,

JOHN A. PENTON, President.

Mr. HARDWICK. Mr. President, I can only say that I congratulate the Senator from Ohio on the possession of so honest and so fair-minded a constituent. Although this man himself is a beneficiary, and a large one, as I have shown, of this very system, he has the honesty to repudiate it; and I wish there were more like him, not only among the magazine publishers, but among the daily and weekly publishers of this country.

Mr. POMERENE. Mr. President, I may say—perhaps I did say a moment ago—that he is a publisher of four or five trade journals.

Mr. HARDWICK. Four or five magazines of this character, I understood the Senator to say.

Mr. President, a moment ago the Senator from Colorado [Mr. SHAFROTH] propounded a question that I am coming to in detail next. He said the proposition is that we shall charge 1 cent a pound for the first 150 miles, and a cent and a half a pound for all hauls longer than that for this class of mail. What does it cost us to give the service? Reading from page 60 of the hearings, the Post Office Department, speaking through Mr. Koons, gave the committee, and through it the Senate, this information. He was asked the same question by the Senator from Tennessee [Mr. McKELLAR], and his reply was:

Now, for the first, second, and third zone rates the average cost would be 5.44 cents a pound. That includes transportation, handling, and overhead charges. That is the first 300 miles. For the fourth zone, which is from 300 to 600 miles, 6.35 cents; in the fifth zone, which is from 600 to 1,000 miles, 7.76 cents; in the sixth zone, 1,000 to 1,400 miles, 9.18 cents; in the seventh zone, from 1,400 miles to 1,800 miles, 11 cents; and in the eighth zone, 1,800 miles and over, 12.02 cents.

Averaging for the country as a whole, and following the conclusions reached by the Hughes commission, which some years ago gave this very matter an exhaustive and careful investigation, the cost was stated to be for the country as a whole, 8½ cents a pound.

The contention was made before the committee that a great part of this deficit came from magazines and trade journals of the character I have exhibited to the committee. The department, replying to that question through Mr. Koons, said this:

The estimated total expense for the daily and weekly papers was 53 per cent of the entire expense \* \* \* for handling all second-class matter.

So that no Senator need delude himself with the idea that the loss comes principally from such publications as this, because 53 per cent of all—\$53 out of every \$100—comes from the newspapers themselves, which any man who reads them knows contain a large and an increasingly larger percentage of advertising matter in their columns, dailies and weeklies alike. The other 47 per cent of second-class matter, Mr. Koons said, was composed of magazines. The weight of the dailies and weeklies, based on an estimate made in 1912, was 400,000,000 pounds, and the total weight of all second-class mail matter was 704,000,000 pounds; so you see that his 53 per cent estimate is not excessive.

The contention was made by the publishers of certain small dailies, as I will term them for comparative purposes, published in cities the size of Nashville and Memphis and Atlanta and Savannah and cities of that type throughout the country, that they caused very little of this deficit; and a very distinguished and able gentleman, who was the owner and publisher of one of these papers at Nashville, undertook to make an elaborate argument before the committee to sustain that contention, on which contention, let me say, the McKellar proposition rests solely and

exclusively. Mr. Koons's reply to him was to show the difference that that same gentleman made to his own subscribers when his paper, the Nashville Banner, was delivered by carrier in the one instance or by mail in the other; and he put in evidence before the committee the subscription rates charged on his paper under the two systems.

Now, here are the subscription rates for the daily and Sunday Banner by carrier in Nashville and the surrounding towns and by mail outside of Tennessee and Alabama and southern Kentucky:

By carrier, first, for one month they charge 65 cents. If delivered by mail, 45 cents for one month.

Three months, \$1.95 if by carrier; \$1.35 if by mail.

Six months, \$3.75 by carrier and \$2.60 by mail.

One year, \$7.50 if delivered by carrier and \$5 if delivered by mail.

So you can see how much this privilege is worth to daily newspapers of that kind and character.

Mr. KELLOGG. Mr. President—

Mr. HARDWICK. I yield to the Senator.

Mr. KELLOGG. Were those subscription rates under the law of 1917?

Mr. HARDWICK. No; this was the difference under the old law, before the law of 1917 came into effect. It must be remembered that the law of 1917 did not go into effect until July 1 of the present year.

Mr. HITCHCOCK. Mr. President, the Senator is aware that in delivering to a subscriber by mail in almost all cases the delivery is not made to his house, but is made to the post office in the town in bulk, whereas the newspaper in delivering to the subscriber by carrier delivers it by special messenger, practically, to his house; so that the cost of delivery in delivering by carrier is very much larger than it is in delivering at the post office in bulk, where the subscriber comes and gets his paper.

Mr. HARDWICK. Exactly; or where it is sent to him by the Government servants, either by the rural carrier or by the city carrier.

Mr. HITCHCOCK. In the case of rural delivery, it is delivered along the route; but most of the subscribers to daily papers are residents of towns, and the papers are delivered in mail bags to the post office, and the subscriber comes to the post office and gets his paper.

Mr. HARDWICK. No; very rarely.

Mr. HITCHCOCK. I am calling the attention of the Senator to the fact that the cost of delivery in one case is not comparable with the cost of delivery in the other.

Mr. HARDWICK. And I am replying by calling the Senator's attention to the fact that this privilege is worth a good deal to the publisher of that class of paper. That is right. They are sent to the post office. The Government then, at its own expense—and that is why this charge is all proper against the papers—sends them out, either by rural carrier or by city carrier, in most cases, to the residence. The papers in cities like Atlanta and Savannah are always delivered through the mail by letter carrier.

Mr. HITCHCOCK. Mr. President, the answer to that is this: If you take the town of Atlanta, Atlanta has its own daily papers.

Mr. HARDWICK. Yes.

Mr. HITCHCOCK. And people in Atlanta do not subscribe to a paper published in another city; but, on the other hand, the people living in a small town of, say, 500 or a thousand population, which has no delivery from the post office, are the ones who subscribe to daily papers; and if you take a town of, say, a couple of thousand population in Georgia, distant perhaps 100 miles from Atlanta, the people in that town taking a daily paper from Atlanta will go to the post office themselves and get it.

Mr. HARDWICK. They prefer that. They do not mind that. They like to go to the post office to see their neighbors and gossip about local affairs.

Mr. HITCHCOCK. I am impressing upon the Senator that his comparison of the daily rates when the paper is delivered to the individual home and the rates by mail when the subscriber goes to the post office and gets the paper is not a fair one.

Mr. HARDWICK. Well, I do not agree with the Senator; that is all. The Senator is not impressing it on me very much. He is not impressing me. I do not think so. Of course, the Senator is entitled to his opinion, but that is not mine.

Mr. Koons continues:

It will be observed that where delivery is made by the publisher, he charges \$2.50 more per annum than where it is made by mail. This additional charge of \$2.50, of course, covers the delivery cost only to the publisher. Based on the weight of the publication, this would be

an average cost of approximately 3 cents a pound for delivery service only, which the publisher charges the subscriber. These subscription rates also demonstrate that it is possible to charge two rates for subscriptions, or, in other words, to zone the rates as it will be observed that within a certain zone the subscription price is \$5 per annum, and in a more distinct zone it is \$7.50 per annum.

I next invite the attention of the Senate to the statement furnished it by the Post Office Department concerning the average haul, taking the country as a whole, of these various classes of publications that avail themselves of the second-class mailing privilege:

*Average haul of different classes of publications, as shown by the department's testimony before the Hughes Commission.*

	Average haul, miles.
Daily newspapers:	
Subscribers' copies.....	255.41
Sample copies.....	315.25
Subscribers' copies and sample copies combined.....	255.75
Weekly and other than daily newspapers:	
Subscribers' copies.....	489.89
Sample copies.....	495.99
Subscribers' copies and sample copies combined.....	490.13
Scientific periodicals:	
Subscribers' copies.....	793.82
Sample copies.....	790.21
Subscribers' copies and sample copies combined.....	793.62
Educational periodicals:	
Subscribers' copies.....	641.91
Sample copies.....	706.29
Subscribers' copies and sample copies combined.....	644.27
Religious periodicals:	
Subscribers' copies.....	598.38
Sample copies.....	666.47
Subscribers' copies and sample copies combined.....	599.27
Trade journal periodicals:	
Subscribers' copies.....	704.86
Sample copies.....	736.02
Subscribers' copies and sample copies combined.....	707.11
Agricultural periodicals:	
Subscribers' copies.....	520.83
Sample copies.....	576.51
Subscribers' copies and sample copies combined.....	525.49
Magazines:	
Subscribers' copies.....	907.64
Sample copies.....	1,027.02
Subscribers' copies and sample copies combined.....	920.79

That is 920 miles for the magazine as against about 255 miles for the daily newspaper, and about 490 for the weekly newspaper; but it must be remembered that both the daily and the weekly newspaper have a greater volume of business and a larger number of copies to handle than the magazines, and that fact has to be taken under consideration.

I next invite the attention of the Senate to the loss involved—the loss to the Government, to the Public Treasury, and to the people of the United States—by this transaction.

Mr. KELLOGG. Mr. President—

Mr. HARDWICK. I yield to the Senator.

Mr. KELLOGG. Does the Senator mean the loss between the bill of 1917 and the proposed committee bill?

Mr. HARDWICK. I am going to take up, first, if the Senator pleases—the Senator's question is very pertinent, because I have not yet made it exactly plain—first, what the loss is under the old act, the act of 1885; second, how much of that loss we would have recouped under the existing law, the zone system included in the war-revenue bill of 1917; and, third, how much of that loss we would recoup if we substituted the McKellar proposition for the existing law or for the committee amendment.

Mr. KELLOGG. As I understand, the law of 1917 provided that the zone system should go into effect July 1, 1918.

Mr. HARDWICK. Yes.

Mr. KELLOGG. And the Senator will give us an estimate of the difference in revenue between that law, if it is allowed to remain as it is, and the proposed changes in second-class mail rates?

Mr. HARDWICK. Yes, sir; between that bill and the rates that the committee proposes, and the rates that the Senator from Tennessee [Mr. McKellar] proposes. I am going to do it in all three instances.

Mr. KELLOGG. And the present amendment of the committee does reduce the charges for second-class mail, as I understand.

Mr. HARDWICK. It reduces the loss from it, the Senator means?

Mr. KELLOGG. Yes.

Mr. HARDWICK. Yes; \$4,000,000, and I will tell you frankly—

Mr. KELLOGG. The committee amendment is a reduction over the one of last year?

Mr. HARDWICK. Oh, yes; it is a reduction to the publishers.

Mr. KELLOGG. Yes; that is what I mean.

Mr. HARDWICK. It leaves the Treasury about where it was before. The \$4,000,000 is not worth the expense and trouble of

collecting it, and the change is not worth making, because then we will be met with the claim that we have already started a reform in this matter, and reduced it, and the subject ought not to be reopened again.

Mr. KELLOGG. The reason why I ask the Senator is this: I am not on the Finance Committee, but I have been told by some members of the Finance Committee that the committee amendment would increase the revenues of the Government, and increase the charges to the newspapers over the existing law of last year.

Mr. HARDWICK. Let me read it again, because the Senator evidently did not hear what the Post Office Department said about it.

Mr. KELLOGG. I heard what the Senator read.

Mr. HARDWICK (reading)—

This would possibly increase over the old rate—

That is, the law of 1885—

approximately \$4,000,000 annually.

The Senator has that figure fixed in his mind. He says:

It was estimated that the zone rates now in effect would ultimately have increased the revenue on second-class mail matter about \$18,000,000 to \$20,000,000.

In other words, the Post Office Department makes a statement that under the law contained now in the revenue act of 1917, which only took effect July 1, after the three-year period of increase is through and a maximum has been reached, an increase in the revenue from second-class matter of from \$18,000,000 to \$20,000,000 would result.

Mr. SMOOT. At the end of three years.

Mr. HARDWICK. Of course, the proposition would be a small increase—five or six million dollars the first year, ten or twelve million dollars the second year, eighteen or twenty million dollars the third year.

Mr. KELLOGG. Then, as I understand the Senator, it is claimed that in three years the increase of the revenue of the Government would be about eighteen or twenty million dollars.

Mr. HARDWICK. Yes, sir.

Mr. KELLOGG. But under the committee amendment only \$4,000,000.

Mr. HARDWICK. Only \$4,000,000. That is the fact. The department estimates that if the amendment proposed in the revenue bill now before the Senate becomes a law, second-class publications will be continued to be handled at an annual loss of approximately \$68,000,000. The department contends also—it has estimated and does estimate—that the zone rates now in effect—that is, the existing law enacted in the revenue bill—would have ultimately raised the revenues by a sum of from eighteen to twenty million dollars; that is, when we arrive at the end of the three-year-period increases and reach the climax of increases, it was the figure that was to be annually raised thereafter.

Mr. President, it is utterly impossible to defend or justify the policy that this Government has maintained since these publications have been so largely commercialized. Just as this honest publisher out in Ohio said, it is a graft that no man who understands the truth can justify. I can not believe that the Senators of the United States for any motive, political or otherwise, with the truth staring them in the face and the facts known to them and their own Government appealing to them in the interest of the taxpayers and the Public Treasury, will continue to perpetuate this thing.

The truth is, Mr. President, that the increase carried in the revenue act of 1917 is from \$18,000,000 to \$20,000,000, but the period of gradual increase through a three-year period, in order to give these men time to adjust their business to it, is the most reasonable, and extraordinarily reasonable, increase in a matter of this kind that I ever heard suggested. We did not get near out of them what we ought to have gotten in the way of an increase. If the Government is losing \$70,000,000, in round numbers, in this matter to carry publications, magazines, newspapers, and what not throughout this country that are one-half commercial and one-half advertising matter, instead of educational matter, it ought to recoup itself to the extent of \$35,000,000 a year at least, instead of \$18,000,000 or \$20,000,000. Yet if we follow the recommendations of the Senate committee, instead of reducing the deficit from \$70,000,000 to, say, \$50,000,000 or fifty-odd million dollars, by taking back \$18,000,000 or \$20,000,000 of losses, as we have done in the existing law, we will only add a measly, trifling \$4,000,000 to the revenues of the Government. If we were to adopt the proposition proposed by the Senator from Tennessee [Mr. McKellar], the effect would be simply this, that we would reduce the losses from the old standard by about \$8,000,000 or, it may be, \$10,000,000, at the outside, and practically exempt from con-



tributing their share to it all papers in towns of the size of Nashville, Macon, Atlanta, and Savannah. That is the real meaning of his proposition. I do not say he so intended it, but it is the effect of it. It is a middle ground. In other words, by the existing law we cut down the \$70,000,000 deficit about \$20,000,000—\$18,000,000 at least—and under the proposal of the Senate committee suggested by the Senator from Utah we would reduce it \$4,000,000 only. Under the proposition of the Senator from Tennessee [Mr. McKellar] we would reduce it \$10,000,000 at the outside.

It is very difficult, Mr. President, to make an argument of this sort to a Senate as busy as this one. I do not propose—because I am not trying to make any speech—to waste any further effort on it. I feel that I have discharged my duty by the Senate and by the Post Office Department and by the Government when I have done what I have in reference to the matter. I think Senators either know or can know the truth about this thing, and I am sure if they take the trouble to know they will not come in here and blindly vote for the committee amendment.

Mr. THOMAS. Mr. President, I am very glad the Senator from Georgia [Mr. Hardwick] has given the Senate the benefit of his information upon this very important subject. That it is one of far-reaching importance has always been recognized, and particularly by the members of the Finance Committee, before which it has been very thoroughly discussed on at least one side of it on two occasions, one being during the pendency of the act of 1907 before the committee, and the other during the past summer and fall when the committee was considering the pending bill.

Mr. President, I have not the slightest desire to inflict any injustice or be the cause of any injury to the newspapers and periodicals of the country. If I thought that the present law in any wise unnecessarily placed a burden upon the shoulders of the publishers of the various magazines, newspapers, and journals, I should be among the last to insist upon its retention on the statute book.

I have not given this subject the same consideration that it has received at the hands of the Post Office Committee, where it properly belongs, but I have had occasion to look into it to some extent, and I have come to the conclusion, rightly or wrongly, that the old second-class postal rate has built up a system of periodicals and has operated to I will not say prohibit but very largely interfere with the circulation of local periodicals in the country to a degree which perhaps is not generally understood.

In correspondence with one of the representatives of the press during the past two or three months, my statement that the Government under the old system, as under the present system, was carrying and distributing second-class matter at a loss was challenged. It was very spiritedly challenged, with the result that I wrote a letter to the Post Office authorities and received from the Attorney General a statement the effect of which was substantially that to which the Senator from Georgia has already called attention.

I am, therefore, Mr. President, forced to the conclusion that we are giving the mail facilities of the Government of the United States to a certain class of its citizens at an enormous annual loss, while, on the other hand, we are unduly burdening other classes of mail matter from which a revenue and a large revenue has for many years been derived.

One of the most significant facts regarding the manner in which this evil has been taken advantage of is disclosed by the growth of the volume of second-class mail, which in 1880 was only 60,000,000 pounds, but which in 1907 was 1,202,000,000 pounds, an increase which is so enormous as to be almost incredible, but which is sustained by the statistics and records of the Post Office Department. Of course, it may be said that the growth of the country is commensurate with the growth of periodicals, and that in some degree is true, but the growth of the country, while very large, has certainly not kept pace with the growth of second-class mail matter.

In the very nature of things, Mr. President, it does but stand to reason that a system of postal rates which virtually carries one pound 2,000 miles at the same rate, or substantially so, at which it carries a half ounce is a losing proposition, or one which imposes an undue burden upon the lighter class of matter, and that is only saying that there would be a similar imposition in the other direction. The need for such a regulation if it existed, whatever the cost to the Government, could be justified by its existence; but the need, if there ever was a need, has in my judgment long ago disappeared.

Nowadays, Mr. President, the purpose of the average daily, weekly, and monthly periodicals is advertisements. Formerly these periodicals were circulated for educational purposes, for

the dissemination of information, and for the amusement as well as the edification of the general public. We know that the press has been commercialized, however, along with practically everything else in this country, until the time has come when newspapers and periodicals are not so much distinguished for the substance of the reading matter which they carry as for the great bulk of advertising matter which through circulation they are able to command.

Mr. President, I am credibly informed, and I think there is no doubt about the fact, that under the old second-class postal system a great many periodicals were organized and instituted, and then proceeded to build up circulation by virtually giving it as a gratuity, sometimes for a comparatively small amount, frequently through combinations of different periodicals for practically nothing, the object being to establish a large circulation list, which, of course, is the best of all assets for advertising purposes.

Mr. JOHNSON of South Dakota. Mr. President—

Mr. THOMAS. I yield to the Senator.

Mr. JOHNSON of South Dakota. I wish to ask the Senator if he means by the old system the system which was in operation before the law of 1917 went into effect?

Mr. THOMAS. That is exactly what I mean; and I believe that practice is equally feasible now because of the very slight increase. My attention has been called to a number of trade journals which have gone out into the highways and byways of the country and have offered irresistible inducements for subscriptions at prices far below the actual cost of the publication—sometimes below the cost of the paper used in the publication—and, of course, for the obvious purpose of approaching advertisers with a very large subscription list, which is not only valuable in securing advertisements but also in fixing the rate for which the advertisement shall be carried. That has resulted in an undue multiplication of trade journals. We have a number of technical journals on agriculture, mechanics, coal, mining of all kinds, ostensibly devoted to these lines of industry, but really prompted to come into being and inspired by the tremendous profits that can be realized from advertisements, and that is the reason for such a multiplication. I do not think that is good for the various pursuits which are particularly represented by these journals. I think half a dozen, or, if you please, one in every large community and State, ably managed and capably run, filled with information of a valuable and educational character, making the matter of advertisement entirely secondary to its value as an educational institution, is worth to the country and to the community a half dozen journals of similar character in the same community bent upon the obtaining of advertisements.

The daily and weekly newspapers have, I will not say, followed suit. They may, perhaps, have set the example. Take any of the great papers of the country and compare them with what they were 30, 35, or 40 years ago. In those days the managing editors of the great metropolitan papers of the country—New York, Chicago, Philadelphia, St. Louis, San Francisco—were leaders and directors of public thought and opinion. Who can name to-day, outside of the press gallery, of course, the managing editor of a single New York paper? Who knows who is the managing editor of a San Francisco paper, a Chicago or St. Louis paper, a Philadelphia paper; aye, the papers in Washington here? The reason is not far to seek. Journalism has become a specialized and commercialized industry and depends not upon its readers except in so far as the readers can be made available for advertising purposes.

Take the magazines. I have heard a good deal about the educational work which the magazines of the country must perform and which they can not perform if they are compelled to pay decent rates of postage. There was a time when most of the magazine literature of the country was educational in a high degree. I can recall a few years ago when it was the only medium of genuine public instruction, when it was really independent, and when it sought not so much to secure advertisements as to convey to people an actual knowledge of existing conditions, whether for good or for evil. They, too, yielded to the general impulse and fell into the general current, so that they were known more by the extent of their advertisements than by the reading matter which they contained, and to-day I do not know of a single magazine of the new birth, if I may coin the expression, by which I mean magazines other than the Century, Scribner's, the Atlantic, and Harper's Monthly, in which you can find anything whatever that is worth reading.

Then think of the crops, Mr. President, of cheap magazine literature containing stories, some interesting, some questionable, some decidedly off color, but accompanied always in the beginning and in the end of the books with vast quantities of

advertising matter, carried to the minds of those who are fond of that kind of so-called literature. They are the things which the advertiser wants to call to their attention for the purpose of increasing business.

Mr. JOHNSON of South Dakota. Mr. President—

Mr. THOMAS. I yield to the Senator from South Dakota.

Mr. JOHNSON of South Dakota. Mr. President, if the conclusions of the Senator from Colorado are correct—and I am inclined to think they are—this proposed amendment would affect every small weekly newspaper in the country and also every small daily.

Mr. THOMAS. I am coming to that, if the Senator from South Dakota will permit me.

Take the Sunday editions of the leading papers in every city having a daily newspaper in the United States, some of them having circulation all over the country. They generally consist of some 25, 75, and even 80 pages, including their comic supplement; and those comic supplements, Mr. President, are not only a disgrace to modern journalism, but they are a reflection upon the intelligence of the American public. Perhaps as high as 75 per cent of these papers contain advertising matter. Some of them contain some very interesting educational articles, but those could easily be condensed into a very small supplement. I am not complaining about the newspapers because, after all, in my judgment, the people get the class of newspapers they want and are willing to pay for, and the apology for the yellow newspaper is a yellow public in nine cases out of ten.

Mr. McKELLAR. Mr. President—

Mr. THOMAS. I yield to the Senator from Tennessee.

Mr. McKELLAR. Speaking of the educational advantage of magazines, I desire to ask when it is realized that we pay \$70,000,000 per year bonus for those educational papers, would it not be better if the Government is going to do that, is going to afford that kind of education for the public, that the Government should publish its own educational magazines whereby the public could get something that would be really worth while?

Mr. THOMAS. The Senator's suggestion, Mr. President, is absolutely unanswerable. That is true, but I do not think the Government, if it desired to publish magazines, would publish such magazines, for example, as *Adventure*, the *Black Cat*, the *Red Dog*, and *Stories of the Sea*, and all that stuff and nonsense which to-day forms, I am sorry to say, a great, if not the greatest, element of reading matter of the public.

Some time ago, Mr. President, a gentleman whose little pamphlet on the subject I shall ask to have incorporated in the *Record* a little later, and who is the head of an association whose purpose is to secure, if possible, 1-cent first-class postage, called attention to the fact that the patronage of the public libraries was constantly decreasing with regard to books of real substantial educational value, while it was increasing very perceptibly as regards the trashy literature comprising what are called "the best sellers," and their imitations—and, of course, the imitations are very numerous—all of which has evidently as its origin the circulation of cheap, weedy literature, which no man who has anything to do at all would waste his time by devoting himself to.

Why is this so? Because these things can be scattered over the country at the public expense, and all subscription lists, once secured, become an asset for advertising. Fortunes of enormous amounts are made by a great many of these publishers, perhaps by the majority of them. I am not finding fault particularly with that, for it is merely a phase of human nature. If I were in the publishing business I should like nothing better than to start a magazine of some kind, and then go out and get as many subscriptions as possible all over the country and utilize them for the purpose of making money and for securing advertisements.

The Senator from South Dakota [Mr. JOHNSON] asked me a question with regard to the effect of these conditions upon the local periodicals and journals. When this subject was up last year the Senator from North Dakota [Mr. GROENNA] placed in the *Record* a letter which he had received from one of his constituents, the editor and proprietor of a newspaper at Devils Lake, I think, in his State. I hope that Senator will, before this subject is disposed of, again call attention to the substance of that communication, for it is the best thing upon the subject I have seen. This gentleman's name is Bloom; he used to live in my State, and I know him very well. His letter was a reply to an organization in the East committed to the repeal of the present law, and asking him to carry in his paper the literature of the organization in behalf of the repeal of the zone system. His answer was that he was in favor not only of the zone system but of an increase of rates, because, independently of the subject as considered from a national standpoint and from the standpoint of subsidy, of its effect upon local journalism. This gentleman,

and others similarly situated, can not compete or if they do can only compete under adverse circumstances with Chicago papers enjoying the largess of the Government to such a degree as to enable them to lay down their issues every day at prices with which local competition is practically impossible.

Mr. President, if the so-called rural journalists of the country could only wake up to existing conditions, they would, in my judgment, be practically a unit in insisting upon the extension of these zone systems and the increase of the postage which the Government now exacts. There is a great loss at present, but this was the best that could be done under the circumstances, owing to the tremendous opposition of the beneficiaries of the system, and the average legislator, while he fears an organization or a union, is mortally afraid of a newspaper, because the newspaper has something to say pretty much every day, and to a gentleman of tender conscience and timid impulses such a thing, to use a common expression, is apt to get upon the nerves. It is because the daily press of the country and the periodical press of the country are the beneficiaries of this system that it is impossible to do away with the abuse and impossible to offer much remedy for it, and I think impossible to go any further than the present bill proposes.

One of the gentlemen who appeared before our committee sought to illustrate the injury of the present system upon periodicals by citing the case of the *Sunset Magazine*, which is printed at San Francisco, Cal. His wail was that, owing to the zone system, the *Sunset Magazine* had been able very largely to build up and increase its circulation by offering special inducements within the zones contained in the place of publication and those immediately adjoining. Mr. President, to my mind that was the strongest, or at least one of the strongest, possible argument in favor of its continuation, for it indicates that without it the publication in San Francisco, the publication in Denver, the publication in South Dakota, the publication in Kansas City, or in Texas, because of the partnership of the Government with the huge publications of the eastern houses, find their limitations prescribed for them, and, apart from the immediate wants of the particular locality, they are unable to spread the benefits of their particular publication, however desirable it might be to do so.

Mr. President, I refer now to another consideration. I called the attention of the Senator from Georgia [Mr. HARDWICK] to the fact that, so far as the short haul is concerned, the only haul upon which the Government can make any money at all on second-class matter, these periodicals use the express companies because they can get cheaper rates, with the result that the Government loses the profit which it might derive from the short haul and at the same time loses the difference between the cost and its charges upon the long haul. It gets left in both directions. I am not complaining about this, because any publisher, following the dictates of common business horse sense, will of course use the cheaper method of transportation wherever it is possible; but certainly, Mr. President, it is inconsistent for these people to come before the Congress of the United States and ask for the perpetuation of this subsidy when admittedly they only use it when it redounds to their financial benefit.

Mr. McKELLAR. Mr. President—

Mr. THOMAS. I yield to the Senator.

Mr. McKELLAR. In other words, when the transportation rate is less than 1 cent, or when the periodical is transported such a short distance that the rate is less than 1 cent, the publisher uses the freight rate.

Mr. THOMAS. Yes.

Mr. McKELLAR. And the Government gets no advantage of the short haul.

Mr. THOMAS. None whatever; it is obsolete for all practical purposes.

Mr. McKELLAR. It is absolutely obsolete within a certain zone of the home office of a newspaper publication, but when it goes beyond the 1-cent rate they use the Government facilities and get the advantage.

Mr. THOMAS. Precisely; and that is good business. The newspapers must not be blamed for that; it is the conditions which cause it, Mr. President; and so long as they exist so long will they be availed of.

We have added four or five million dollars, I think—and four or five million dollars only—to the burden to those who patronize the second-class mail facilities of the Government, but for the purpose of raising revenue to meet war expenditures we increased the postage on first-class mail matter for long distances by 50 per cent, and we increased the postage rate on first-class mail matter for short distances, such as postal cards, 100 per cent, although for some time prior to the commencement of the war first-class postage was paying the Government a profit



of from seventy-five to eighty million dollars. By a stroke of the pen, Mr. President, we inflicted upon the people of the United States who patronize the mails by the use of first-class matter an additional burden of from sixty-five to seventy million dollars. If we are going to show favors, if we are going to extend privileges through the operation of governmental machinery, why should we not extend it to those who are already paying too much instead of increasing their burdens and barely touching the others?

Mr. President, if this subject could be stripped of its political aspects, I do not believe that the cent-a-pound proposal would get half a dozen votes in this body. If the matter could be regarded from the standpoint of what is fair and just and right to the taxpaying public of the United States, I do not think that any publishing organization would have the audacity to come here and insist upon the perpetuation of a system which subsidizes a class by imposing an added burden of millions upon the taxpayers of the United States.

Mr. President, I shall conclude by asking that there be inserted at the end of my remarks the little pamphlet which I hold in my hand, entitled "Justification of Zone-System Advances," by Mr. Charles William Burrows, of Cleveland, Ohio. THE VICE PRESIDENT. Without objection, it is so ordered. The matter referred to is as follows:

**JUSTIFICATION OF ZONE-SYSTEM ADVANCES IN POSTAGE RATES OF ADVERTISING MATTER IN PERIODICALS ENACTED IN FIRST SESSION OF SIXTY-FIFTH CONGRESS:**

[A précis specially prepared for Members of Congress by Mr. Charles William Burrows, president National One Cent Letter Postage Association, 1219-20 Guardian Building, Cleveland Ohio, January, 1918.]

**INTRODUCTION.**

Many articles have appeared recently denouncing zone advances in mail rates on the advertising pages only of periodicals.

Most are clearly misleading as to what has been done, while insistently urging its undoing. An understanding, therefore, of what advances have been made and why is highly desirable.

Congress will scarcely undo the sole piece of constructive postal legislation looking toward right enacted in a generation. Magazines should not dare to ask that their "special privilege," a fraction only of which has been cut off, should be restored, while "everybody" else loyally consents to be "taxed till it hurts."

Most such articles deplore "a fine on reading"; are piteous about "sectionalism," prate about "perfidy," and misrepresent generally until they forcibly remind us of Macaulay's cogent statement that "the doctrine of universal gravitation would still be disputed if a financial interest were arrayed against it."

Every contention may be convincingly answered. Those mammoth issues which harp so nobly upon "special privilege" never turn the light inward.

Let us hope that publishers may in time see a light in connection with their industry, which, conducted like all others for profit, is the only one by law freed from paying cost of distribution of those advertising pages which are its merchandise. These latter, too, are simply circulars stitched together, and should pay third-class rates, or 8 cents a pound instead of 1.

**IMPERATIVE NECESSITY FOR RECENT ADVANCES IN SECOND-CLASS MAIL RATES.**

Many emphatic arguments exist for advances in the almost free second-class rates, but one of the strongest is that higher rates will diminish the ever-increasing loss it occasions.

The volume of second-class mail—

In 1880 was only 60,000,000 pounds; loss about \$4,000,000.

In 1890 was 204,000,000 pounds; loss about \$12,000,000.

In 1900 was 450,000,000 pounds; loss about \$27,000,000.

In 1910 was 873,000,000 pounds; loss about \$52,000,000.

In 1917 was 1,202,000,000 pounds; loss over \$70,000,000.

And 2,000,000,000 pounds, with accompanying loss of \$125,000,000, was in sight within 10 years had advances not been made. This loss, which is due to the utterly insufficient rate periodicals pay, is a serious menace to the department's finances.

Second class practically doubles in volume each decade and consequent loss increases as rapidly.

Even though a surplus exists for the past year, the deficit created by second class is no less enormous, simply large profits upon letter mail permit the showing. Had each class paid its way the entire profit created by first class would have been revealed as surplus instead of a comparatively meager sum. It would have been \$90,000,000 instead of only \$9,000,000.

Giving service to second class, which (disregarding parcel post) is about two-thirds of the paid-for mail, for less than \$11,500,000, while total expense runs \$300,000,000, and requiring first class, in volume one-fifth as much and costing less, to pay \$190,000,000 revenue (at pre-war rates) for service costing half that is an evident grave injustice.

Letter mail has produced \$1,350,000,000 revenue in the last 10 years, while costing less than \$750,000,000. On the contrary, periodicals at the almost free rate of 1 cent a pound (one-seventh cost) have within the same 10 years produced only \$85,000,000 revenue, though costing about \$800,000,000.

Moreover, this utterly inadequate revenue from over a billion pounds a year of periodical mail has resulted in cramped service everywhere, and here is found the main source of complaint about poor work.

In these days of war conservation in all ways, Congress absolutely can not sit quietly by and see 1,000,000,000 pounds of periodical mail grow to 2,000,000,000 within very few years. Publishers must begin to stand, not all, but a fairer part of cost of distributing their merchandise.

Fair play by all means, but no more \$70,000,000 subsidy. No mischief; no check to healthy growth; tenderness even in lopping off part of the subsidy. With this in mind, Congress did not make the law operative until July, 1918, and then the first advance is small, while all will not be effective until 1921. "Reading" matter, moreover, is exempted from zone advances, which apply solely to advertising and then only if in excess of 5 per cent.

**IS A ZONE SYSTEM OF ADVANCES "UNFAIR"?**

Publishers often assert that postage rates for periodicals based on a zone system are "unfair." It will be seen by a little thought, however, that a step toward rather than away from "fairness" has been made.

Remember that the zone system applies solely upon high-priced advertising pages, simply circulars stitched together, which should go at third-class rate of 8 cents a pound instead of 1.

Also any reasoning about a "flat" rate based upon its being accorded to letter mail is fallacious. Handling of letters is a monopoly. You are not at liberty to send them in any way other than through the post office. Also as the rate is high, Government gets mostly profitable hauls. The revenue from billions of such letters not only takes care of loss incurred in handling the comparatively few which get long haul and delivery in sparsely settled regions, but also provides large net profit.

With second class this is all different. The pound rate it pays, only 1 cent, is a mere fraction of cost, and its carriage neither is a monopoly nor can well be made one, so publishers give long runs and single-copy deliveries to Government and short runs and bulk lots, on which the department might make a profit, to express companies. So Government gets all losing and no profitable business. Any "flat" rate on second-class mail will be "unfair" to the department, which will get little revenue from hundreds of millions of pounds of such mail. To users of letter mail, whose excessive rate produces revenue to care for loss occasioned by inadequate charge on second class, it is also "unfair."

There are, however, several kinds of second-class mail. That which is hauled 2,000 miles and given copy distribution may easily cost 50 or more cents a pound, though paying but 1. Packages of daily papers, however, sent in bulk to near-by newsdealers may cost little more than they pay.

Can anyone think it "fair" to make the rate for these two kinds of service the same?

Moreover, lack of candor on the publishers' part is evident when we find them characterizing as "unfair" a zone basis for handling hundreds of millions of pounds of printed advertising, their merchandise, and yet remember that a few years ago they, one and all, clamored for a zone system for parcels of other merchandise.

From the service efficiency standpoint there is also to be found a strong argument against a "flat" rate for second class.

Of first class there are over 45 pieces in an average pound; of second class under 5 (4.72). Due to greater uniformity in size and lighter piece weight, a "sorter" can "throw" a tray of several thousand letters in "takes" of 20 quicker than he can "plant" one-tenth as many pieces of second class, many of which are of such awkward shape that they can not be "thrown" at all. Others are so heavy that it would damage other mail and equipment to "throw" them. They must be "placed" in bag or pigeonhole.

The above is another reason why a "flat" rate is economical for letters but not for second-class mail.

**WHY A POUND-RATE LAW WAS ENACTED AND SOME OF ITS EFFECTS.**

One publisher contends (Leslie's, Nov. 24, 1917, p. 174) that enactment of a pound-rate law was "voluntary," and that change was made, not for the benefit of publishers but of subscribers.

Passing a pound-rate law was forced by necessity. Postage on periodicals had been paid quarterly in advance by subscriber in dribs and drabs, running 7, 11, etc., cents. No track could be kept of these thousands of trifling amounts without prohibitive expense. It was difficult to keep accounts straight, and some made little effort to do so. Investigation became necessary and showed that of every 100 errors perhaps 90 were against Government.

So passage of a law collecting postage "at source" was enacted. Publishers protested against charges high enough to cover cost. The founder of one great magazine worked strenuously for low rates; and as the amount involved was small, they were granted.

To sum up, contrary to Leslie's statement, the law was distinctly passed not to benefit either publisher or subscriber but to diminish opportunity for fraud, and evidence exists that publishers had much to do with making the rate low when on June 23, 1874, the law was enacted. Rates were then, however, higher than now, being 3 cents a pound for magazine and 2 for newspapers.

The operation of this law entirely changed our periodical literature. The old literary magazine like Atlantic, North American Review, Century, Harper's, etc., had paid expenses, both of production and distribution, as does the book, through price charged. They contained a literary product of high class. They made for plain living and deep thinking.

The fruit of this enactment was a "subsidized" periodical getting distribution at practically a franking rate. Then was born a new kind of magazine, edited from the business office to carry advertising, only circulars stitched together, or third-class matter, which should pay 8 cents instead of 1.

Tempted by this nearly free distribution, an average of more than 10 new periodicals a day have secured second-class privileges for every day (Sundays and holidays inclusive) of the past 15 years.

Of the product thus evolved, the opinion held by one editor is shown in quotation from Howe's Monthly, Atchison, Kans., here presented:

"Best sellers in magazines vie with each other in vulgarity. They outrive each other as to which can be boldest without being barred from the mail. Stories dealing with sex problems, having unmarried mothers and women of the demimonde as heroines fill them. The country is overrun with publications issued to secure advertising under the benign protection of the second-class rate."

Without altogether agreeing with the editor, nevertheless the "weedy" literary matter of some, combined with the high-priced advertising that constitutes their bulk, make it evident that Government has distributed this load at heavy loss for years enough. It is time to call a halt.

At this time, when Government seeks to check all abuse, periodical publishing, organized for profit, as are other industries, should be abundantly satisfied to be advanced from one-seventh to one-third cost only instead of having to pay full costs of distribution. They should be grateful that a \$70,000,000 subsidy is reduced one-third instead of abolished entirely.

As periodicals deliberately close their pages to articles opposing the second-class privilege, and as they are not only its beneficiaries but also constitute virtually the sole publicity machinery of the land, it is easily seen why this inquiry has persisted.

**SECTIONALISM.**

A recent article in Saturday Evening Post stated that zone advances for second-class mail would "denationalize" the press and introduce "sectionalism."

It further stated that we would not permit seaboard States to levy duties on trans-Mississippi wheat or bacon nor tolerate any sectional tariff.



To answer their contention, it is obvious that when merchandise is sent to different parts of the country and goes "prepaid," whether it be bacon, boots, books, or wheat, the freight will vary with distance and total cost will, therefore, vary, which variation, through price being figured on article delivered, sometimes shows indirectly.

It has never been argued, however, that for a packer to charge more for sending bacon 1,000 miles than 100 would "sectionalize" the United States. No more will slight differences in postage "denationalize" the country just because the merchandise, instead of being bacon, happens to be paper in shape of circulars stitched together, the advertising pages of periodicals.

As well might we attempt distribution of the fruits of the earth, the products of the manufacturer, the wares of the merchant at a "flat" rate as to extend this favor to over 1,000,000,000 pounds of periodicals, the merchandise of fewer than 30,000 publishers, whose output more-over is susceptible of such excessively rapid increase in volume.

When we reflect that this particular issue of the Post contained over 50 pages of advertising, costing \$5,000 a page and upward, and that it carried, therefore, more than \$250,000 of advertising, yet paid for its postage only about \$15,000 for service that cost over \$30,000 for the portion mailed, and that this is repeated weekly, we well understand why the Post opposes any advance, even though to but one-third cost and on the advertising only.

That the Post, which, it is reported, carried last year more than \$20,000,000 of advertising, can not take care of added expense of this sort, is not believable. Doubtless in preparation for just this situation it has by increasing proportion of advertising and in other ways apparently increased its advertising receipts heavily since war began.

#### HIGH-PRICED PAPER ADVANCES.

Publishers contend that there have been such advances in price of paper that the present is an inauspicious time for postage increase.

To give this contention weight, specific assertion is made that for a series of 86 journals, whose combined profits amounted to but \$1,197,000, extra cost of paper for one year will amount to \$3,034,000.

Answer to this is simple. These publishers prove too much. If all these increases are more than publishers can stand, they will be driven out of business anyway, and postal advances will matter little. If, however, by drastic readjustment they can meet conditions, then it will be comparatively easy to absorb the postal expense.

The argument is a specious one, but let us remember that in 1911 and in 1914 many publishers, at a time when print paper was about the lowest known, bitterly opposed advances, that in 1914 being a "flat" one of only 1 cent a pound.

Furthermore, since enactment of postal advance in October, 1917, magazine publishers are quite generally making lower subscription rates, which all shows that enlarged circulations with consequent higher advertising rates are what they want. They would give away "circulation" if Government permitted. This is indicated by a report that one prominent magazine recently sold to an agency 200,000 "circulation" at 27 cents per subscription. Its nominal yearly rate is \$1.50. The object is, of course, apparent—to get the largest possible output.

Another instance: One E. T. Meredith, of Des Moines, Iowa, publisher of *Successful Farming*, while vigorously denouncing all advances in postage rates, "zone" or "flat" has, we are informed, offered seven years' subscription to his journal (a large affair with lots of advertising) for \$1, a rate that probably does not pay half cost of paper.

These low prices for periodicals stimulate wasted consumption. The story goes that one man subscribed for three magazines with aggregate list prices of \$3 because he could get them for \$2. When they began to arrive, however, he found that the first was one he didn't want, the second his wife didn't want, the third neither wanted.

#### WILL ADVANCES KILL THE READING HABIT?

One contention of publishers is that our boys and girls will be shut out from forming the "reading habit" at time of life when most essential.

In writer's opinion, the contrary effect will result. Taking away from a school girl opportunity to eat half a pound of chocolates daily will probably turn her to nutritious bread, meat, and potatoes, which should mainly constitute her diet.

Similarly, feeding youthful imaginations with *Magazine of Mystery*, *Stories of Adventure*, *Police Gazette*, scores like them and hundreds of the "popular-but-weedy" variety tends, through over-supply of "literary sweetmeats," to destroy opportunity to benefit the mind by reading the best in essay, history, poetry, travel, and "belles-lettres," generally.

Due almost solely to its inadequate postal rate, second class, as shown previously, has increased from forty million pounds in 1875 to twelve hundred million pounds in 1917. This means that several billion more copies of popular magazines are issued than formerly, and each extra hundred million magazines crowds out ten million books.

The result is that while America publishes more periodicals than all nations of the globe united and half as many again, she has lost her position as a book producer save of "best sellers" in erotic fiction. Fast power presses that print periodicals have displaced for young and old the cultural training that good books alone can give.

Our literary decadence has been deplored by many thinkers. While we formerly held high rank as publishing good books in all lines, to-day (under normal conditions) book publishing in Switzerland, the Scandinavian and Teutonic nations, France, and Great Britain runs from six to eight times as many per capita as with us. Japan publishes four times as many; Roumania, thrice; Russia, of whose population 79 per cent is an ignorant peasantry that can neither read nor write, publishes for the remainder many more books than we; while Spain issues as many books per capita as we.

The "weeds of literature" that too many trashy periodicals are, have been too much for the book.

This lack of "cultural" value in the reading most available results in impoverished development of the young intellect.

Further detrimental influence is seen in an economic direction. In the farm-journal line, overproduction has been excessive, so much so that we are mailing over 600,000,000 farm journals per annum to our 6,000,000 farmers. Many of these are "islands" of reading surrounded by "oceans" of advertising, prepared often thoughtlessly, always hastily, so publication date may not be delayed.

Under the influence of such "reading" American farmers produce, working on soil of unsurpassed fertility, from one-quarter to one-half as much of a given crop per acre as their European brothers, who get carefully prepared manuals, not weak journals loaded with advertising.

One representative of a conservative old farm journal told the writer that he would gladly see competition diminished. He asserted that in the effort to get circulation, a journal with yearly subscription rate

of \$1 had to give 95 cents to the canvasser who secured the order. It was further necessary to give the farmer a premium represented as worth price of subscription, though it actually cost about 35 cents. This building circulation by premiums has caused wasteful overproduction in this field. The report of the Third Assistant Postmaster General (1911, p. 89) shows that one such agricultural publication with 143,000 circulation had 122,000 premium induced. Another, with circulation of 53,000 had 41,000 so secured. A third, with nearly 500,000 per issue, had only 60,000 subscriptions not obtained by means of this extraneous inducement.

Another illuminating fact as to this "special privilege" is seen in the financial field. Investigation shows that something like \$6 banking periodicals are issued to supply a need which a prominent bank official stated would be better filled by 6. The extra ones were just "leg-pullers" for advertising.

And the situation in nearly all lines is similar.

#### MISCELLANEOUS POINTS.

##### Appointing commissions.

Many publishers contend that before advance in postage is made a congressional commission should sit, make scientific research, weighings, not for a month only, but for a year, and that the department should get down to "brass-tack" information and establish a bureau to examine the situation scientifically.

The answer to this is that six different commissions have investigated the question in the past 20 years at a direct expense of over \$300,000 and an indirect one many times as large. The uniform decision of all is that the 1 cent a pound paid is a mere fraction of cost of service.

While there is some dispute as to exact cost, none exists as to the general conclusion. No person of sound mind, however, can require the "findings" of any commission to decide this question himself. With an expense account (parcel post disregarded) of \$300,000,000 per annum, and two-thirds of the mail, second class, paying only \$11, 500,000 of revenue, one conclusion only is possible, namely, that it pays nowhere near enough. Of course, the deficit is cared for by requiring one-fifth as much first class to pay \$190,000,000 revenue.

No acute perception is needed to see why another commission is desired. It would inject delay into the situation.

No commission need make microscopic measurement of a superdread-naught to decide whether that mammoth construction can be installed in an apartment-house kitchenette. Some things are self-evident. This for one and the second-class mail situation for another.

##### How much does second-class mail feed first class?

Another plea of publishers is that second-class gives rise to much first-class mail, originated in responding to advertisements. Now, if second-class mail originates first class in large amount anywhere, it is upon rural routes. The city man who desires an advertised article goes to a shop for it. The country resident is the one who must write a letter ordering it.

In spite of some such mail this is not the case to a profitable extent, for only about \$3,000,000 worth originated on all rural routes last year, while loss on second class was over \$70,000,000. Credit answers to advertisements with half of this, and even give it credit for as much more from large cities, and the situation is little changed.

The gross exaggeration of this claim is further shown below. Recently an advertiser in a certain number of the *Saturday Evening Post* addressed a letter to all other advertisers in the same issue asking how many replies each had gotten. Responses showed about 20,000; figure all as letters at 2 cents each and a revenue of \$400 from that source appears.

Of the 118 who advertised 83 replied and 35 did not, but allow that half only replied, instead of four-fifths, and that the other half would furnish another 20,000 replies, the profit would have been only \$400. But loss on distribution of this issue was about \$70,000.

#### WHAT POSTMASTER GENERAL ALBERT SIDNEY BURLISON SAYS ABOUT SECOND-CLASS MAIL RATES.

[From his report for fiscal year ending June 30, 1917, p. 60, F. F.]

Regarding advances in second-class mail rates enacted in the war-revenue act the report says in part:

Advanced rates on second class were to partly reimburse the department for enormous loss in handling this class.

Difference between revenue and admitted cost is so great that publishers could no longer expect to defer remedial legislation.

When it became apparent that some increase in rates ~~must~~ be enacted the Postmaster General conferred with many publishers, but at no time was he able to suggest a method acceptable to all.

Advertising, a new element, amounts to as much as 60, 70, or even 80 per cent of the issue. It is but just that this matter pay more.

The department was at all times scrupulously fair to publishers in presenting its statistics.

Realizing that they had adjusted business to the low rate, Congress showed greatest care in framing the law.

While the new rate on first-class mail went into operation within 30 days, the first slight advance in second-class rates will not be effective until July 1, 1918. Additional increases are distributed over a three-year period, giving ample time for readjustment.

Continuance of the low flat rate on reading is a complete answer to criticism that the zone system applied to advertising matter will build up sectionalism. No greater limitation than before was put on dissemination of information, but the law wisely made a distinction between reading and advertising.

Advertising matter is in all respects third-class matter, except in method of circulation, so a higher rate is rightly fixed upon it, this rate varying with cost, which varies with distance. It properly goes under a zone system, as do parcels.

Even on short hauls the exceedingly low "flat" rate is inadequate to pay the expense of handling and transportation.

If a publication contains less than 5 per cent of advertising it is exempt. The rates which apply to reading matter are lower than those that have been recommended by any investigation commission, and even the highest rate on advertising is lower than this same material would cost distributed as circulars—that is, as third-class mail—and also much less than cost of handling. The department will still incur heavy loss from second class.

Some publishers claim that they can not pay a higher rate of postage. That legitimate business can not readjust itself to normal costs is an argument without merit.

This is not believed true of any legitimate business, even publishing.



Mr. McKELLAR. Mr. President, just for a few moments I wish to restate some of the propositions which arise annually, and sometimes oftener, in regard to this question. Every year, and sometimes several times a year, the publishers come before Congress seeking to perpetuate this subsidy. The question is, Shall we change the plan that we adopted last year; and, if so, how shall it be changed?

Mr. President, I am unalterably in favor of a zone system for second-class mail matter. It is the only fair, just, and equitable method of handling it.

Mr. GRONNA. Mr. President—

The PRESIDING OFFICER (Mr. McLEAN in the chair). Does the Senator from Tennessee yield to the Senator from North Dakota?

Mr. McKELLAR. I yield to the Senator.

Mr. GRONNA. Mr. President, this is a very important matter, and I think we ought to have more Senators present. I therefore suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum being suggested, the Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Johnson, S. Dak.	Martin, Va.	Simmons
Beckham	Jones, N. Mex.	Moses	Smith, Ariz.
Borah	Jones, Wash.	Myers	Smith, S. C.
Curtis	Kellogg	New	Smoot
Dillingham	Kendrick	Nugent	Spencer
Fernald	Kenyon	Page	Sterling
France	King	Penrose	Sutherland
Gay	Knox	Polindexter	Thomas
Gerry	La Follette	Pollock	Townsend
Gronna	McCumber	Saulsbury	Trammell
Hale	McLean	Shafroth	Underwood
Henderson	McNary	Sheppard	Warren
Hitchcock	Martin, Ky.	Sherman	Wolcott

Mr. SHEPPARD. I wish to announce that the Senator from Arkansas [Mr. KIRBY], the Senator from Mississippi [Mr. VARDAMAN], and the Senator from Oregon [Mr. CHAMBERLAIN], are necessarily detained on important public business.

Mr. TOWNSEND. I desire to announce again the absence of my colleague, the senior Senator from Michigan [Mr. SMITH], on account of illness. This announcement may stand for the day.

Mr. McKELLAR. I desire to announce the absence of the senior Senator from Tennessee [Mr. SHIELDS] on account of illness.

Mr. SUTHERLAND. I announce the absence of my colleague [Mr. GOFF] on account of illness.

The PRESIDING OFFICER. Fifty-two Senators have answered to their names. A quorum is present.

Mr. McKELLAR. Mr. President, the old flat rate of 1 cent per pound on second-class mail matter prior to July 1, 1918, had been in force for nearly or about 30 years. During that time, of course, the amount of second-class postal matter going through the mails has increased in a very remarkable degree.

In 1880, about the time the flat rate was first established, there were only 60,000,000 pounds of second-class matter going through the mails, and the Government at that time lost only \$4,000,000 a year in carrying it. In the year 1885 the amount had increased up to 204,000,000 pounds, and the loss of the Government was \$12,000,000. In 1890 the amount had increased to 450,000,000 pounds, and the loss to the Government was \$27,000,000. In 1900 it was \$73,000,000 pounds, and the loss had increased to \$52,000,000. In 1917, when the law was changed, the amount of second-class mail matter going through the mails had increased to 1,202,000,000 pounds, and the loss to the Government in transporting it had increased to \$70,000,000 per year. It is estimated that if this growth had continued in the same way that it had been going on since 1880 there would be a loss of \$125,000,000 to the Government each year for carrying second-class postal matter through the mails.

These potent facts of loss to the Government, by reason of the Congress granting a subsidy to a class of publishers, had made such a great impression upon the Congress and upon the country that in October of last year the system was changed from a flat rate to what is known as the zone rate; and I want to read for just a moment the law as it was passed in 1917 to remedy this very patent monstrosity in the matter of carrying this portion of our mails.

In 1917—on October 3, as I recall—the Congress passed this law on the subject:

In the case-of the portion of such publication devoted to advertisements—

I need not read the preceding part, because this will give the entire system—

the rates per pound or fraction thereof for delivery within the several zones applicable to fourth-class matter shall be as follows (but where the space devoted to advertisements does not exceed 5 per cent of the total space, the rate of postage shall be the same as if the whole of such

publication was devoted to matter other than advertisements): (1) On and after July 1, 1918, and until July 1, 1919, for the first and second zones, 1½ cents; for the third zone, 1½ cents; for the fourth zone, 2 cents; for the fifth zone, 2½ cents; for the sixth zone, 2½ cents; for the seventh zone, 3 cents; for the eighth zone, 3½ cents; (2) on and after July 1, 1919, and until July 1, 1920, for the first and second zones, 1½ cents; for the third zone, 2 cents; for the fourth zone, 3 cents; for the fifth zone, 3½ cents; for the sixth zone, 4 cents; for the seventh zone, 5 cents; for the eighth zone, 5½ cents; (3) on and after July 1, 1920, and until July 1, 1921, for the first and second zones, 1½ cents; for the third zone, 2½ cents; for the fourth zone, 4 cents; for the fifth zone, 4½ cents; for the sixth zone, 5½ cents; for the seventh zone, 7 cents; for the eighth zone, 7½ cents; (4) on and after July 1, 1921, for the first and second zones, 2 cents; for the third zone, 3 cents; for the fourth zone, 5 cents; for the fifth zone, 6 cents; for the sixth zone, 7 cents; for the seventh zone, 9 cents; for the eighth zone, 10 cents.

That is the law as Congress established it a little more than a year ago. That is the law that we are called upon to-day to change in this bill; and that proposed change is found in section 1101, on page 277, of the pending bill. That section reads as follows, and I want to have it go into the RECORD so that Senators may have it in a form that they can look at:

SEC. 1101. That on and after July 1, 1919, the rates of postage on publications entered as second-class matter (including sample copies to the extent of 10 per cent of the weight of copies mailed to subscribers during the calendar year) when sent by the publisher thereof from the post office of publication or other post office, or when sent by a news agent to actual subscribers thereto, or to other news agents for the purpose of sale, shall be 1 cent per pound or fraction thereof for delivery within the first and second zones applicable to fourth-class matter, and 1½ cents per pound or fraction thereof for delivery within any other zone.

It is seen that the change which is made is substantially going back to the old flat-rate system. The only change in the old flat-rate system provided in the pending amendment is this, that in the first two zones of 200 miles, 50 miles for the first zone and 150 miles for the second zone, there is a flat rate of 1 cent a pound, and in all zones beyond that 1½ cents a pound. The amount of increased revenue from that provision will be very small. It has not been estimated, as I find, by the committee. Certainly we have had no report on it. The question for the Senate to decide is whether we are going back to the old flat-rate system, as provided in this committee amendment. Are we going back to the subsidy system, or are we going back and instead of paying \$70,000,000 paying perhaps \$66,000,000 a year in subsidies to the publishers on account of rebates in rates on the magazines largely?

I want to be frank with the Senate in this matter. I am inclined to believe that the provision of 1 cent a pound within a radius of 200 miles for newspapers, or for all periodicals, is fair and right. I believe that the newspapers pay their own way within such a zone, and I shall be very glad to see the zone system modified so as to fix a rate of 1 cent a pound within the first two zones. That part of the amendment changing it is all right; I see no objection to it. I want it adopted. It is somewhat the same as an amendment that I proposed last year, and I really believe it would be better for this reason: It will be remembered that the real cost to the Government of the second-class mail is transporting it a long distance at a flat rate. It has been shown by proof that I believe to be competent before the Post Office Committee from time to time that within a zone of 200 miles, and I think even farther than that, probably 250 miles, newspapers are absolutely self-sustaining; in other words, they pay for the cost of their transportation. The present law provides for a constantly increasing rate, as has been seen by my reading of it a few moments ago, gradually increasing the rates on the first two zones from 1 cent and a quarter a pound up to 2 cents a pound. I believe when we reach the maximum of 2 cents a pound in a zone of 200 miles, it is going to be found to pay a great deal more than the cost of transporting all the periodicals within that zone. Indeed, I think it will pay twice as much as it costs the Government to transport it. I do not believe that is proper or right.

On the other hand, it will be found that the rates were too low for the farther zones. The highest rate it will reach is, I think, 8 cents a pound. I understand the present law will produce in revenue, when the system is in full force in 1921, when this increase in rates year by year goes on until 1921, about \$20,000,000. In other words, all that will be done by this bill will be to wipe out about \$20,000,000 of the deficit, taking away from the publishers \$20,000,000 of the subsidy now granted them. In other words, the United States will thereafter pay to the publishers a subsidy of \$50,000,000 instead of a subsidy of \$70,000,000, as it does now. That is the effect of the present law passed in 1917, and so far so good.

That is the effect of the present law, passed in 1917, and so far so good.

The zone system certainly ought not to be abolished as by this bill is provided. The only modification that I have to suggest is this: Under the amendment I have offered, and which is pending before the Senate, in a zone of 200 miles, the first two zones, instead of the rates being 1½ cents, as it is now, and

gradually ascending to 2 cents, my amendment provides that it shall be 1 cent. The subsequent part of my amendment retains a zone system just as it is, but increases for the farther zones just a little more than the proposal of the committee. The result is that under the provisions of the amendment I have offered, in addition to its being a fairer method of settling this controversy by reason of the fact that the newspapers and periodicals circulating in a zone of 200 miles are now paying their own expenses, it simply amounts to this: The amendment that I have offered does not go quite as far as the law does now. Under my amendment the amount that will be produced to the Government will be from twelve to fifteen million dollars, about three-fourths not of what is now brought in but what will be brought in at the end of the four-year period under existing law.

Mr. President, I am going to offer that amendment and ask the Senate to vote on it. If the Senate declines to accept that amendment I am going to vote against any change of the zone system, because I believe that the zone system is the only proper method of dealing with this second-class postal rate question.

It is contended that the present zone system is unfair. I suppose whenever any bounty is taken away from anyone the method adopted of taking it away is considered by those whom it affects as being unfair. Did it ever occur to Senators, now that there is such a complaint about the first-class mail matter, as to the cause of that complaining? Every day our mail is filled with complaints from the fathers and mothers of this country about their letters not reaching their boys in Europe and about their boys' letters not reaching them. Just this morning I received a letter from a Congressman elect saying that his boy had been in France for four months; that the family had written to him very often, and he had never received a letter in the four months. Just a day or two ago the parents received four letters written at various times from their boy. In these he said that he had never received a dollar of pay since he had been over there, and that though his father had sent him money from time to time he had never received a dollar of that money. There must be some fault about our mails. I do not know how it can be accounted for except that our mails are so full of second-class mail matter that the first-class mail matter is being neglected to give way for carrying the second-class mail matter. In other words, the mails are so crowded and stifled that first-class mail matter does not have a fair chance. I do not know that that is the reason for it, but there ought to be some explanation of the very remarkable fact that letters do not go as they formerly did.

Mr. HITCHCOCK. Mr. President—

Mr. McKELLAR. I yield to the Senator from Nebraska.

Mr. HITCHCOCK. Mr. President, I am afraid the explanation the Senator from Tennessee gives for the defective mail service between the United States and France will hardly do. As a matter of fact there is comparatively little second-class mail that goes to France, and therefore it could not be held responsible for the failure of the delivery of letters there. On the other hand, the second-class mail in this country is very large, and the delivery of first-class mail in this country is entirely satisfactory.

The only explanation for the failure to deliver the mail to the soldiers in France, and for the failure to receive the letters of soldiers in France written to their families in this country is, in my opinion, rank incompetency; and I just take this occasion to say that it is one of the most disgraceful breakdowns of the Post Office Department, in the first place, and of the War Department management, in the second place, that the soldiers in France have been deprived of their home letters and the folks at home have been deprived of the letters from their soldiers. It has been destructive or injurious, at least, to the morale of our soldiers abroad, and it has caused a world of anxiety unnecessarily to families here. It is due, first, last, and all the time to the rankest sort of mismanagement and incompetency in the Post Office Department and the War Department. We might as well be plain about that. It is one of the things that is causing in this country the most widespread dissatisfaction and indignation, and no explanation for it has been made, and none can be made, except rank, miserable incompetency.

Mr. McKELLAR. The Senator may be entirely correct about it. At the same time I notice that the increase in the volume of second-class matter is out of all proportion in the matter of pounds, in the matter of millions of pounds, to the first-class matter. It may be that first-class matter has got blocked, as I suggested a while ago. I can not say about that. I am not here to decide the question as to who is responsible for it. I have a different proposition on hand just now which I want to

talk about. There have been many difficulties to overcome in handling our over-seas mail.

Mr. HITCHCOCK. It is just—

Mr. McKELLAR. And I will be glad to proceed. I know the Senator is correct in his statement that there is constant complaint from citizens all over the country about the mails between here and their boys in Europe, and we ought not to be in a position where complaints can justly be made. I know they are made, and repeatedly made, and I wish I could in some way remedy that very unfortunate situation. I can not undertake to attempt to fix the blame now.

Mr. HITCHCOCK. The Senator knows from his service on the Military Committee that repeated efforts have been made to ascertain the cause of this miserable breakdown, and the committee has been unable to get anything like an adequate explanation from the people responsible for it. It is worse probably, but not much worse than the breakdown of the business management in this country which has failed to pay family allotments to the families of soldiers who are serving abroad. It is like the business breakdown which has resulted, when, as we know, soldiers in the service have gone one, two, three, four, five, and six, and in some case seven, months without their pay. It is such a business breakdown that it reflects most seriously against the business management of these departments we have intrusted with responsible duty during this war.

Mr. SHAFROTH. Mr. President—

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Colorado?

Mr. McKELLAR. I yield.

Mr. SHAFROTH. I wish to say a word in answer to the Senator from Nebraska [Mr. HITCHCOCK]. I have three sons in the service and they write and we get the letters not every day, but seldom a week passes that we do not get letters from them. I can not understand why there should be such a lack of letters that are written by soldiers to other people. We have had a fair return in the way of answers and the letters that have been written from our side have reached them; sometimes not rapidly, of course, for there is difficulty in transmitting mail over there, and there is great difficulty also in finding the regiments because the troops are going from one part of the line to another every few days. I can give an illustration of this difficulty. When my youngest boy was about to sail from Long Island we went to see him off. We had been informed that he was going to sail in a day or two. We got to the gate and we were told that the battery had not gone. They said it would be found several blocks over in a certain direction. We went over in that direction making frequent inquiry. We went a distance of six or seven blocks and there we were told we should go over in another direction. We went to no less than eight different places that were designated and at last found a man who said, "I will take you right to the battery," and so he did, and that is the only way we found it. We found that the battery was located within two blocks of where we first made inquiry, but they had said "no; it is not here."

Of course, it is on account of the temporary character of the location of the troops; nobody can keep track of them, and on that account I have not any doubt but that there have been failures to deliver mail. I have not any doubt but that some of the mail does not come here that is written by our soldiers abroad, but considering the confused character of the various regiments, batteries, and companies and the movements almost daily to different parts of the line, I have not any doubt but that the service has been very good; not the best in the world, because it can not be so good as when people are established in a locality.

Mr. CURTIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Kansas?

Mr. McKELLAR. I yield.

Mr. CURTIS. Has not the Senator received a large number of complaints from his constituents that their mail has not been delivered and that they have not received their mail from over there?

Mr. SHAFROTH. Yes; I have received some, not many; but I say to the Senator, while some of the complaints are well founded, I find in many instances it is absolutely the fault of the soldier boy. In one instance a mother complained bitterly and said there must be some fault, that her boy was a most dutiful boy, and his allowance had always come to her; but for the past four or five months she had not heard from him; that something was terribly wrong, and she wanted something done. I made inquiry concerning the matter, and I found that the boy five months before had married and transferred his allowance to his wife instead of his mother.

There are instances, of course, where there are failures to deliver the mail at times, and it may be the case for a while longer;



but where you have two or three million men scattered over wide territory, no one knowing exactly where they are—the mail authorities probably do not know—it does seem to me that there has been a fair accommodation in mail matters between Europe and the United States.

Mr. WEEKS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Massachusetts?

Mr. McKELLAR. I yield for a question; but I want to go on. It will take me but a few minutes to conclude. The mail service matter is beside this particular question.

Mr. WEEKS. I do not want to ask a question. I want to ask about what has been said on this subject, if the Senator will permit me.

Mr. McKELLAR. That is wholly apart from the subject I am discussing, but I yield.

Mr. WEEKS. I did not suppose there was a Senator on this floor who would have the temerity to even apologize for the foreign mail service. The Senate Military Committee, as the Senator from Tennessee knows, has frequently made inquiry about the matter. There has been a deluge of complaints from every source, complaints that have been verified, and it has been acknowledged on the part of the War Department officials appearing before the committee that the service was bad and they did not know, practically speaking, how to correct it. What the Senator from Nebraska [Mr. HITCHCOCK] has said about it is absolutely true. It is not only a breakdown, it is a hopeless breakdown, and it shows an incompetency which I have not seen anywhere in the Government service since I have been in Congress.

Mr. HITCHCOCK. Mr. President, one more moment. The Senator can go further than that. He can say it got so bad that the War Department itself insisted upon taking over the service. It was taken away from the Post Office Department because it was so impossible, and now the War Department itself has broken down in about the same degree. It has attempted the delivery of mail to soldiers over there, and I am told by those who have seen it that mail for weeks is held piled up by the ton in the sacks it came in without having been delivered.

Mr. SHAFROTH. I have no doubt that the failure has been because of the difficulty in getting the addresses of companies and the location of them. Here is a letter I have just received from one of my sons, written the 30th of November, mailed the 2d of December, and received to-day. Seventeen days in transmission from France is not bad. Considering the fact that in a great big army of that kind the addresses are often wrong, it does seem to me that that is a pretty fair service. It is true that you can not have perfect service where you have two or three million men who are in various and different locations, moving from one part of the line to another, but it seems to me that all things considered it is not a bad service. When officers are doing the best they can under the circumstances I believe they should be encouraged instead of being condemned.

Mr. McKELLAR. Mr. President, we have wandered somewhat afield, and I want to come back to the real controversy here. Our New England, New York, and Eastern friends who are interested in the publishing business frequently tell us it is very unfair to the West, to the far-off States, for their citizens not to be able to get the advantages of the lower rates of postage, and there is a great educational propaganda that is being sent out by the aforesaid eastern publishers for the benefit of our far-off southern and southwestern and western communities. I do not think I ever read a better answer to that proposition than in a letter I have before me, and I am going to call the attention of the Senate to it. It is from Mr. F. P. Holland, who is president of the Texas Farm and Ranch Publishing Co., and, I think, answers every contention I have ever heard made on that subject. For the benefit especially of our western and southwestern Senators I want to read it:

DEAR SIR: I have been advised that there is a strong movement under way—

He is right about that, I will interpolate, not a strong movement is, but a strong movement has been, is now, and ever will be as long as we permit these gentlemen to enjoy this subsidy. Mark me, as long as Congress permits the owners and controllers this subsidy that they are drawing from the Government in whole or in part we are going to find a strong current right here in Washington seeking to uphold it, seeking to make it larger, seeking to defeat all the legislation that has been passed here to put them on an equality with the rest of our citizens. I read on:

I have been advised that there is a strong movement under way to repeal the zone system, and I desire to enter a protest, both as a publisher and a citizen, feeling that the period of readjustment following the war will be difficult enough, without sudden shifts in the salutary program recently adopted.

The old flat rate, in effect, constituted an economic, social, religious, and political barrier. It tended to discourage literary and technical development in the magazine field outside of the East.

May I interpolate right here that the complaint that is coming here from the zone system emanated directly or indirectly in the eastern part of our country and not from the western and southern part of our country.

In operation it was nothing less than a subsidy granted the New York publications.

Remember, Senators, the Government gives as a bounty scores of millions of dollars every year, and it is growing constantly under the old flat-rate system which we are asked to restore.

If to the former subsidy in postage the existing burden in freight is added—and freight in carload lots to Texas amounts to between \$400 and \$500—then it is clear that no publication outside of the favored circle has an even chance to make good, except to the extent that it is able to give greater value for less money.

The freight rate has increased by the action of Congress almost double. The Government has to pay more for the cost of carrying these periodicals than ever before—probably 100 per cent more—and yet because Congress has taken just a small portion of that subsidy away from them they were back here at Congress urging us to restore the old flat rate almost before we got acquainted with the new law. I do not see how any Senator can vote for a return to the old flat-rate system. I do not know how he is going to defend his vote. I do not believe he can defend his vote. But I will read on:

The eastern publications have carried on a vigorous propaganda since the zone system was first suggested, spending thousands of dollars in their efforts to secure a flat rate, even at double the present cost in postage. Why? They desire to perpetuate the principle of subsidy as an advantage against the remainder of the country, whether the haul is 10 miles or 10,000.

Now, notwithstanding the fact that many of them have increased their subscription rates enough to absorb the additional cost of carriage, they are still bent upon creating a monopoly.

They have already increased the rates for their magazines upon the people to pay them for this increased cost of transportation; they are still bent upon holding their subsidy and building up their monopoly—

The only side of the argument presented to the public has been their side, and many organizations have indorsed their statements without giving the facts any consideration whatever.

And may I interpolate again that to my certain knowledge thousands and thousands of letters printed and signed by various organizations in my State have been forwarded to me against the zone system, and I believe in every case where I have taken the trouble to write to the writer of the letter and ask how it happened that he or she wrote to me about it, he or she came back and said they were asked to do it by the publisher of a certain paper or in answer to a request in an advertisement; that they knew nothing about it themselves, but they were caught with the idea that they would get their periodicals cheaper perhaps. Reading on:

It is unfair to assume that a magazine mailed from Dallas to Waco should bear the same rate borne by a magazine going from New York to Manila, just as it is unfair to argue that publishers at a distance from the paper mills should enjoy the benefit of a common freight rate. Indeed, when it comes right down to it, I might as well contend that a publisher in Texas is entitled to the reduced freight rate, since the argument differs in no material respect.

But there is another and a far more vital reason why the East should not be permitted to furnish the reading matter for the Nation. As you will remember, Wall Street clamored against currency reforms, and yet, when the reforms were finally inaugurated, the country, as a whole, derived immediate benefits, and to-day it is doubtful whether a financial panic is possible.

That was one of the financial reforms inaugurated. So when the Federal reserve bank was established we remember that these same eastern allied interests—not the same interests, of course, but I suppose similar—were absolutely sure that it would ruin the country. Yet Congress adopted the great Federal Reserve System of banking, and you see the benefits all over the country, notwithstanding the cocksure predictions of some of our eastern friends.

With greater elasticity an era of confidence was ushered in, despite the loud predictions of interested prophets. The equitable rate offered publishers came during the war, when materials and wages were high; at a time when the Government very wisely prohibited the consumption of paper in new ventures.

Had the zone system been adopted during normal times, legitimate expansion would have disarmed the sharpest critic of the existing system. New York has the population, the factories, the combinations of capital, and the magazine. It is inevitable under existing conditions that the magazines should offer the standards of the East for the consideration of the West, to the exclusion of the ideals and ambitions of the West; that instead of abolishing sectionalism they should gradually bring the country to one system of belief, founded on sectionalism brought to its highest possible standard of refinement.

There is no such thing, for example, as a national farm paper, owing to the varying conditions of climate, soil, transport, market, and labor, and agriculture, admittedly, is the basic occupation. Considering this phase of the business alone, it is to the advantage of the Nation to encourage the development of journals which reflect local conditions and stimulate community progress, and what is true of



agriculture in the narrow sense is true of education in the broader sense, for each section of the country has an inherent right to self-expression, and the newspaper is not the medium through which thought becomes a permanent enriching asset.

Wall Street was not slaughtered by currency reforms, neither will the national magazine be killed by a fair rate of remuneration for the service rendered. It is rather absurd, when you come to think of it, that a Texas magazine, which occupies new territory, should have to help defray the carriage on an eastern publication. The subscriber should pay the bill if he happens to be a long way from market, just as he pays on a shipment of mackerel from Maine.

I believe that the maximum benefit will be derived by the people of this country when they are fortunate enough to be able to present their own views in their own way, and I am convinced that enough of the big journals will endure to help bind the people together, although I am not quite certain, under the provision of the zone system which provides that not more than 50 per cent can be paid in commissions for subscriptions, that some of the advertising sheets which depend solely upon bogus circulation will continue to prosper. Again, I hardly think that the spiritual uplift of the Nation will be furthered by a low rate on such decadent trash as Snappy Stories and The Parisienne, themselves a thousand times more pernicious than the so-called sectional journalism which New York decries.

As I have pointed out, the publications which contend for the flat rate, even at a stiff increase, are interested primarily in the ratification of a system of subsidy under which they can operate more readily against competition arising off the Atlantic coast. If the flat rate is sound and the people stand in need of education, as authors of the propaganda contend, then it certainly follows that the Bible, Shakespeare, Gibbon, Dickens, and Wilson should enjoy it, for it is hardly compatible to urge that a passage from Diamond Dick equals a passage from the Bible when it comes to promoting morals, progress, political unity, and literary comprehension.

Remember, Senators, that on all these books there is a different rate; they pay according to the length of transportation, and do not go as second-class matter.

Before the zone system is tampered with, I think it is only fair that it should be given a thorough trial under conditions of peace. To alter it now because it is bitterly opposed by selfish interests claiming leadership in intellectual matters would lead to confusion and leave the question of merit undetermined.

I believe that the Government, which now aspires to such big things in regard to the common welfare, would commit a grievous blunder if it reestablished the old form of subsidy, which enabled periodicals in the great centers to circulate advertising through its direct patronage.

I do not want to place myself in the light of contending for special consideration; I do want to make myself clear in regard to postage determined by the nature of the service rendered.

Yours, very truly,

F. D. HOLLAND,

President Texas Farm and Ranch Publishing Co.

Mr. President, I want to commend the statements in this letter to the Senate. Let us give this zone system a fair and impartial trial. The magazines have not gone out of business since it has been established, which was a little over a year ago, and it has been in force since last July. I have not heard of a single magazine that has suspended. Freight rates have increased nearly a hundred per cent. The Government has to stand that, while the magazine rates have been increased by the Government only about 10 or 11 per cent, and they never will go to an increase of more than 20 per cent under the present law.

The truth of the business is that the publishers ought to be glad, looking at it from a selfish standpoint, which I do not think ought to exist; but looking at it from their own selfish standpoint, they ought to be glad to forgo the \$70,000,000 of subsidy which the Government is giving them under the present law and accept what the present law gives them. The Government is not giving to any other class of our citizens a subsidy. The lawyers of the country do not get a subsidy; the farmers of the country do not get a subsidy; the mechanics of the country do not get a subsidy; the laboring men do not get a subsidy; the ministers of the gospel do not get a subsidy; the doctors, the merchants, the blacksmiths, the clerks, do not get a subsidy; no other class of our people get a subsidy except this one class, and we are giving them \$70,000,000 a year under the flat-rate system. We have only as yet taken away \$4,000,000 of this, and yet they want us to return it.

Who appeared before the committee? Did the publishers? I ask the chairman of the committee, did the publishers or any of the representatives of the publishers appear before the committee and ask that this system be changed almost before we even started it?

Mr. SIMMONS. Mr. President, I will say to the Senator from Tennessee that at the time we were having hearings and up to the time we closed our hearings there was no suggestion of a change. The suggestion of the amendment came in executive session, but a great number of publishers came personally and talked with members of the committee.

Mr. McKELLAR. I am not surprised. The publishers have been here very regularly in their own behalf. They argue well a bad cause. I am sure that there is no public sentiment for the change back to the old flat-rate system except such as has been created by the advertisements of publishers and salesmen and by personal visits. In almost every magazine of this country we have seen advertisements substantially like this: "Do you think that the people in distant communities ought to be dis-

criminated against; that they ought to pay more for their reading matter than the people in New York pay? Ought they not all to have their reading matter at the same rate as the New Yorkers get theirs?"

Quite frequently that kind of argument catches the person to whom it is addressed. These advertisements are so arranged as to make them very enticing to people who do not understand the matter, people who would not for a moment uphold any Senator or any Representative in voting this immense subsidy of \$70,000,000 to the allied magazine interests. I think there are about 87 magazines in the whole country, or something like that. According to the proof they are all united by bonds of some sort; all have a community of interest in fighting for the restoration of this flat rate, fighting for this subsidy. One publisher, as I recall the facts, is the owner of 11 magazines, and receives an annual subsidy from the Government of over \$5,000,000. Is that right? Why to that distinguished publisher, owning many newspapers and 11 magazines, should Congress vote a rebate in freight rates of over \$5,000,000 a year?

The time has come, Senators, when we should be very careful about the expenditure of the people's money. The war is over. It is necessary for us to tax our people heavily; we have got to lay a heavy taxing hand on them, but we ought to be very careful about expenditures and to be very careful about the subsidies which we grant to any class of our citizens. Let us give this system, which we only enacted last year, a fair trial. It is not exactly what it ought to be. I think it might be made a little more equitable. I may be wrong about it, but we have just put it into force; it has not yet been in force for six months. Let us give it a fair trial. Do not let us change at this time.

I beg the Senate to disagree with the unamended amendment which has been offered by the committee and to vote it down. I ask the Senate first to vote for the amendment which I have offered. If added to the committee amendment it will perfect that amendment. It will retain the zone system and will not require newspapers circulating in a zone of 200 miles to pay more than the cost of transportation within that zone. It will distribute the cost more equitably. I want to insert here the committee amendment as amended by my amendment. If this amendment is not adopted I shall vote against the repeal of existing law.

The PRESIDING OFFICER. In the absence of objection, the amendment of the committee, as proposed to be modified by the amendment of the Senator from Tennessee, will be printed in the RECORD.

The committee amendment, as proposed to be modified, is as follows:

SEC. 1402. (a) That section 1103 of the revenue act of 1917 is hereby repealed.

(b) Section 1101 of such act is hereby amended to read as follows: "SEC. 1101. That on and after July 1, 1919, the rates of postage on publications entered as second-class matter (including sample copies to the extent of 10 per cent of the weight of copies mailed to subscribers during the calendar year) when sent by the publisher thereof from the post office of publication or other post office, or when sent by a news agent to actual subscribers thereto, or to other news agents for the purpose of sale, shall be 1 cent per pound or fraction thereof for delivery within the first and second zones applicable to fourth-class matter.

"Third zone, 1½ cents per pound.  
"Fourth zone (300 to 600 miles), 2 cents per pound.  
"Fifth zone (600 to 1,000 miles), 3 cents per pound.  
"Sixth zone (1,000 to 1,400 miles), 4 cents per pound.  
"Seventh zone (1,400 to 1,800 miles), 5 cents per pound.  
"Eighth zone (over 1,800 miles), 6 cents per pound.  
"Provided, That free-in-county circulation provided by law shall continue as at present: *Provided further*, That the Postmaster General may hereafter require publisher to separate or 'make up' to zones, or in such manner as may be directed, all matter of the second class when offered for mailing."

(c) This section shall take effect July 1, 1919.

Mr. SMOOT. Mr. President, I feel myself guilty in taking the time of the Senate to discuss this question, but the time so far to-day has been taken up by Senators who are opposed to the repeal of the zone system. I am, therefore, going to ask the indulgence of the Senate for just a few minutes to call attention to some of the statements which have been made and to briefly state why I think that, for the best interests of the country at large, the zone system should be repealed.

We have heard repeated again to-day the old charge that there was a subsidy of \$70,000,000 granted to the publishers of this country through the old 1-cent rate upon second-class mail matter. Mr. President, how is that arrived at and upon what is it based? Everyone who makes the statement bases it upon the Hughes Commission report. I say now that if all of the second-class mail matter were eliminated from the mails to-day and first-class mail matter alone carried, instead of there being a profit, there would be a deficit.

The \$70,000,000 which is charged up to the second-class mail matter is reached in this way, which is unfair: The mail is



weighed and after determining the number of pounds of all the mail which is carried from all parts and to all parts of the country, the expense of carrying the mail, and administering the affairs of the Post Office Department are all ascertained. They then find how much it is going to cost a pound to carry the mail—first class, second class, third class, and fourth class—and the second-class mail matter is charged with its pro rata amount of expense based upon the total weight. We are told that by that system there is a deficit in carrying second-class mail matter of \$70,000,000.

Mr. McKELLAR. Mr. President, will the Senator from Utah yield to me?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Tennessee?

Mr. SMOOT. Yes; I yield to the Senator from Tennessee.

Mr. McKELLAR. The Senator from Utah seems to be in doubt as to whether this is a fair method of reaching what the actual amount of the deficit is. On the other hand—and the Senator may be correct about it, as I am not certain about it myself—the Senator has no doubt in his mind that whether the method of finding out the cost is correct or not, there is a deficit of many millions of dollars in carrying the mails, has he?

Mr. SMOOT. The Senator from Tennessee has asked me that question before, and I frankly said I had no doubt of a deficit; but I wish to say to the Senator that it costs the Government of the United States more to deliver a hundred pounds of first-class mail matter than it does to deliver a hundred pounds of second-class mail matter, and—

Mr. HARDWICK. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Georgia?

Mr. SMOOT. I do.

Mr. HARDWICK. While that is true, the department reports full allowance for that, and they give the figures for each class. The Senator understands, if he has examined the question, that the department has applied the same system for determining what it costs for each class of mail matter.

Mr. SMOOT. That is exactly what I said, that this same system was applied to every class of mail matter in the United States, and I say that it is not fair. Take a letter that weighs an ounce. Under the old rate it was 2 cents for a letter; it could be carried from New York to San Francisco for 2 cents, and it could be carried from San Francisco to England for 2 cents, there being no zone system whatever in regard to that class of mail. I call attention to the fact that nearly every civilized country in the world carries its mail on a flat rate, and no matter whether the distance is 10 miles—if 10 miles is outside of the drop zone—or 3,000 miles, the rate is the same.

Mr. McKELLAR. Mr. President, will the Senator from Utah yield to me?

Mr. SMOOT. I yield first to the Senator from Georgia.

Mr. HARDWICK. I want to call the attention of the Senator to the fact that, while this system of including overhead charges applies to all four classes of mail matter, as I stated just now, the fact remains that the department, the Hughes Commission, and everybody else has always figured the cost of handling first-class mail as being in excess of 50 cents a pound, instead of 8 cents, which is the estimate for handling second-class mail matter.

Mr. SMOOT. I say to the Senator that I will agree with him when he says that the Post Office Department and the Hughes Commission agreed to the cost, but when he says that everybody else agrees to it, I must disagree with his statement.

Mr. HARDWICK. Probably I "covered too much territory."

Mr. SMOOT. I want to say to the Senator that there are men in the Post Office Department who have studied this question, and who are as intimately acquainted with it as any of the assistant postmasters general; and they say that the Hughes Commission report can not be sustained. But even granting what the Senator says, Mr. President, I say, in my opinion there is a loss in carrying second-class mail matter—

Mr. HARDWICK. There is a very heavy loss.

Mr. SMOOT. But not any such loss as shown by the Hughes Commission report.

Mr. McKELLAR. What would the Senator fix the loss at?

Mr. SMOOT. Mr. President, I never like to state a figure upon the floor of the Senate unless I am pretty positive that it is correct. So I can not answer the Senator's question positively; but I will state to him that it would not surprise me at all if there was a loss of \$10,000,000 or \$15,000,000 a year, basing the estimate upon the old rate, provided the overhead charges and the expense of delivering the second-class mail matter are estimated as they have been estimated in the past. I have no desire, Mr. President, to try to mislead Senators upon this question.

Mr. McKELLAR. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield further to the Senator from Tennessee?

Mr. SMOOT. Yes; I yield.

Mr. McKELLAR. The Senator spoke of the policy of other Governments, and said that none of them had established a zone system, but that they had a flat rate. I am not advised about that; but the Senator understands, does he not, that no Government in the world has as good a postal system as we have?

Mr. SMOOT. Mr. President, take Canada, on the north. The rate charged by Canada on second-class mail matter is half a cent a pound, or 50 per cent of what we originally charged. Canada, passing through this war, imposing such taxes upon her people as never were known before, and looking for money from every possible source, has felt that it was very unwise to increase the rate on second-class mail matter. I could, Mr. President, go into the postal rates of every country this afternoon, but I do not wish to take the time of the Senate now to do so. I simply wish to record my dissent from some of the statements that have been made here to-day in relation to the cost to the United States Government of handling second-class mail matter.

The Senator from Tennessee just a few moments ago said that there was one publisher in the country who was receiving from the Government of the United States a bonus of \$5,000,000. I know to whom the Senator refers, and I wish to say to the Senator that if he would go to the Treasury Department and could secure the return of that publisher showing his net income for the last year, the Senator would find that his income was not anywhere near \$5,000,000.

Mr. President, the United States Government established postage rates; it invited all the publishers of the United States to build their business upon those rates, and the publishers of this country had a perfect right to believe that the rates that were imposed in the old law would stand. Why? Because no other civilized country has thought of increasing rates upon second-class mail matter, but the almost invariable rule in other Governments has been to decrease such rates.

Mr. McKELLAR. Mr. President, if the Senator will look at the hearings he will find the figures which I gave to be accurate, so far as the proof was concerned. That leads me to ask the Senator this question: The Senator will recall that last year and heretofore the question of zone rates was fought out by the Post Office Committee. There was a great fight made, and the Post Office Committee had very extended hearings on the subject. They went over the whole matter, and they reported a system after the most careful examination. Now, why is it that the Finance Committee takes jurisdiction of this matter after a system had been adopted by Congress under a report of the Post Office Committee?

Mr. SMOOT. Mr. President, we find that a year ago the revenue bill was made the vehicle, as it were, for an amendment to the then law increasing the rate of postage, and not only increasing the rate of postage but providing for the establishment of a zone system. The bill which we have now under consideration repeals that law and enacts another law, and the Finance Committee is simply carrying out the policy adopted when the zone system was put into effect.

Mr. President, can anybody defend the fact that an American citizen living in San Francisco can send to the farthest ends of India second-class mail matter for about one-quarter of the amount that he can send it from San Francisco to New York? Can anyone defend the fact that a citizen of Canada, to the north of us, can send to the farthest parts of the United States a magazine published in Canada for nearly one-fourth of what an American citizen can send a magazine published in New York to the same point when the new rates shall be in full force?

Mr. McKELLAR. Mr. President, I do not know whether that can be done under our law or not; the Senator is more familiar with it, probably, than I am; but I wish to say to the Senator that, if that is the law, I will very cheerfully join the Senator in an attempt to repeal it, so as to make it fair to the American public.

Mr. SMOOT. I wish to say to the Senator that it is not fair to-day; and the Senator's amendment, I will add, is simply midway between the present law and the amendment which is reported by the committee; in other words, the amendment reported by the committee will yield over and above the old rate between four and five million dollars per annum, while the amendment which the Senator from Tennessee has just offered to the committee amendment would yield about ten or eleven million dollars a year over and above the old rate in force before the present law.

Mr. President, America must not be split up into half a dozen sections. I believe in the theory of the fathers that the Post Office Department was never intended as a revenue-collecting institution. It is not so regarded in any country, and it should not be so regarded in our country.

I could not help smiling when the letter of Mr. Penton, the publisher of the Iron Age, was read. In all of these tax matters, Mr. President, when a letter comes recommending certain increases in taxes that may fall upon the party making the recommendation, I always look for "the nigger in the wood-pile," and he can generally be found. In this case the writer of the letter does not say that he is in favor of a zone system, but he does say that he would prefer to have an increase in second-class postage rather than to have an increase in first-class postage rates. Why? Pick up the Iron Age, Mr. President, particularly the holiday issue that has been presented here to-day as a frightful example, and you will see in that publication thousands of little advertisements. The publisher of that periodical knows that he can pay upon the 18,000 copies of each issue the increased rate on second-class mail matter and still pay less than if he had to pay increased postage on his letters to his advertisers, not only on the original letter addressed to them, but when a return is made for the payment of the advertisements on the letter acknowledging its receipt; indeed, there is no telling how many other letters must be sent, including statements showing amounts due, and in connection with other contracts between the publisher and the different advertisers in his periodical. Therefore it perhaps would have been an advantage to him to let the postage on first-class mail matter remain as it was and increase the rates on second-class mail matter as he suggested.

Mr. POMERENE. Mr. President, is the Senator referring to Mr. Penton?

Mr. SMOOT. I am referring to Mr. Penton, publisher of the Iron Age.

Mr. POMERENE. Does the Senator know how many letters he writes each year?

Mr. SMOOT. I do not know the number; but I do not think it is necessary; the same can be fairly judged.

Mr. POMERENE. Does the Senator know the amount of second-class mail matter that Mr. Penton sends out?

Mr. SMOOT. He at least sends out his weekly issue of 18,000 copies or more.

Mr. POMERENE. Let me ask the Senator upon what does he base his assertion that Mr. Penton would be saving money in that kind of way?

Mr. SMOOT. I base it upon the evidence that has been submitted of similar publications to the committee several times when this question has been up. I wish to say to the Senator that publishers and others who have used the second-class mail privilege have shown to the committee that their first-class postage was more than their second-class postage expense.

Mr. POMERENE. Mr. President, the Senator referred to Mr. Penton's letter?

Mr. SMOOT. Yes.

Mr. POMERENE. I know Mr. Penton, and I know him to be an honest man. He knows his business, and, I dare say, knows it better than the Senator from Utah knows it; and I am a little surprised to hear the Senator make a statement of that kind without having more data with regard to Mr. Penton's business.

Mr. SMOOT. The Senator from Ohio did not hear what the Senator from Utah said or he would not have made the statement which he has made. The Senator from Utah has not charged Mr. Penton with being a dishonest man; but the Senator from Utah has stated that he was bright enough and a smart enough business man to know what his expense would be under the zone system for second-class mail as compared with the increase in the first-class letter postage.

Mr. POMERENE. Does the Senator mean by that statement to have it inferred that Mr. Penton is controlled in his views with regard to public legislation by the amount of money he is to get out of it?

Mr. SMOOT. Mr. President, I think that was what brought forth his letter—the very fact that there were taxes to be imposed that fell upon his business; and the letter itself shows that that was the reason why he wrote it.

Mr. POMERENE. Always these men who are after a certain class of governmental graft are questioning the motives of other men. I deny the right of the Senator to question Mr. Penton's motive in this matter.

Mr. SMOOT. Well, Mr. President, I have made the statement, and I think it is well within the bounds of truth.

Mr. HARDWICK. Mr. President—

Mr. McKELLAR. Mr. President, will the Senator yield to me for a question?

Mr. SMOOT. I promised the Senator from North Carolina [Mr. SIMMONS] that I would be through in a very few moments, and I have taken now more time than I anticipated.

Mr. McKELLAR. If the Senator declines to yield, very well. Mr. HARDWICK. Mr. President, will the Senator yield to me?

Mr. SMOOT. I will yield the floor, if necessary.

Mr. HARDWICK. All right. I will take it, then, to answer what the Senator has said.

Mr. SMOOT. But I am not through yet.

Mr. HARDWICK. Oh! I thought the Senator had yielded the floor. Mr. President—

The VICE PRESIDENT. The Senator from Georgia.

Mr. HARDWICK. I just want to suggest that there might be more force in the last argument made by the Senator from Utah with reference to Mr. Penton, of Ohio, if it were not for the fact that the Senator from Utah proposes in this same bill to reduce not only his second-class postage but his first-class postage back to where it was; so the position of the Senator from Utah is that he will save for him at both ends of the line.

Mr. SMOOT. Mr. President, this letter was written in June, 1917, when the present law was under consideration; and the Senator has not found Mr. Penton writing a letter now, when a decrease of rates is proposed.

Mr. HARDWICK. No, Mr. President; and that is not the important phase of the matter; but here was a proposition of a gentleman who was a very large beneficiary of this system telling the truth about it, whatever his motive. Now, he is not to be discredited by the committee because he has done that—and of course I know there is no personal effort to discredit him, and I have not taken any such view as that of the matter—when the committee in one hand hands him a reduction on his first-class mail matter and in the other hand presents him a reduction on his second-class matter.

Mr. SMOOT. Now, Mr. President, I should like to proceed.

I wish to say that I have not reflected upon Mr. Penton in any way, shape, or form. He has done just what other business men in the United States have done; but I want to say that if in this bill we had proposed an increase in the postal rates on first-class matter no doubt you would have heard from Mr. Penton, and there is no reason why you should hear from him now when there is a decrease.

I can understand why the publishers of the Saturday Evening Post do not care whether they have the zone system or whether they do not. That developed at the hearing of a year ago. The officers of that paper know well that if the zone system is in vogue there will be perhaps thousands of magazines and small weekly newspapers that will go out of existence, and the more that go out of existence the greater monopoly the Saturday Evening Post will have; and they can make more money by eliminating competition and competitors than they can by trying to secure reduced rates of postage.

The Senator has tried to make it appear that only the publishers of the country are interested in this subject, those that are pecuniarily interested; that they are the ones that are appealing to Congress. Why, Mr. President, there was a great convention held by the United States Chamber of Commerce at Atlantic City just the other day. Business men from all over this country, representing all classes of business, were in attendance upon that convention, and this is the resolution that was adopted by the convention:

Whereas the absolute industrial unity of our Nation is the basic factor in our splendid and prosperous development, and is moreover the basis upon which industrial reconstruction must rest; and

Whereas national unity is wholly dependent upon the maintenance of easy and equitable channels of communication between all sections of the Nation, which can only be accomplished through the operation of equal postal functions and uniform postal rates between all parts of the country; and

Whereas the postal zone law hastily passed by Congress last year is not only destructive of such unity, both educationally and industrially, but means the sectionalization of our Nation: Therefore be it

Resolved, That we most earnestly urge the repeal of this postal zone law on second-class matter, and most heartily commend and indorse the action of the Finance Committee of the Senate of the United States in incorporating an amendment to repeal this destructive and un-American law.

Mr. President, I can not state the reasons for the repeal of this obnoxious law more succinctly or more to the point than the resolution passed by that great body of business men of this country.

Much has been said about carrying magazines with advertising matter in them. I have on my desk, I suppose, a hundred letters from different organizations of the country, showing the amount of mail first class in character that comes to those concerns through the advertisements as they appear in publications; and in every case the receipts by the Government from the first-class mail will far more than pay the expenses of carrying that advertising matter through our mails. Think of the millions of



advertisements in the magazines of the country. Every issue, whether they be weekly or monthly, reaching to the ends of the country, going to the homes of the people; and we all know that unless it was profitable, and unless there was some return by way of orders from the people, they would not advertise. There is no order given, there is no invoice sent, there is no return made, there is no letter of explanation given from the purchaser or the advertiser, but that carries a postage stamp of 3 cents upon it. So, Mr. President, when we stop and consider the situation as it is, I believe with all my heart that a mistake will be made if we begin sectionalizing this country.

Why should a citizen of San Francisco pay four times the amount of transportation for his magazines from New York than a citizen of Ohio pays?

Mr. McKELLAR. Mr. President, why should he pay more for the transportation of himself from New York to San Francisco than he does from New York to Ohio?

Mr. SMOOT. I expected that very question, Mr. President.

Mr. McKELLAR. The Senator has had it.

Mr. SMOOT. And I want to say now to the Senator that that is quite a different proposition. One is a commercial transaction pure and simple. The other is an educational matter, and recognized as such by every civilized country in all the world. I may answer it by asking the same question: Why should a letter be sent from New York to San Francisco at the same rate of postage as from New York to Jersey City? For the same reason and no other, Mr. President; and when we begin to chop up this country into sections it will be a sorry day for the unity and unification of the people of this country.

Therefore, Mr. President, I trust that the committee amendment will be agreed to by the Senate.

Mr. TOWNSEND. Mr. President, I know it will be useless to spend any time in discussing this question, especially as I have no particular suggestions to make for or against the pending amendment, and I do not propose to delay action, but I do not care to let the matter pass without repeating somewhat that I said last year.

I did not believe that in last year's revenue law we dealt with postal rates in a scientific manner, nor do I consider the committee provision or the pending amendment as more than an attempt to palliate a bad condition in existing postal laws. In spite of all the arguments that have been made or that will be made to the contrary, it is a notorious fact that second-class mail matter is not paying its proportionate share of the maintenance of the Post Office Department. Special commissions composed of wise men from civil life and others from congressional membership have investigated the question and determined this truth. The stock argument that newspapers and publications generally, without distinction, are educational and necessary for upbuilding the intellectual and moral tone of the country is always advanced as reason for granting special privileges to second-class mail matter, but it is nevertheless a fact that a great majority of these beneficiaries are issued as commercial projects, with no other object in the world. They are maintained for the money the publishers get out of them.

However, this seems to be a legislative question that is very difficult to settle. I do not know whether this is due to the fact that the newspapers and magazines have such a great political influence as to warp the legislative mind or not, but I think it is. It is also true that many Members of Congress are interested in newspapers, and I can readily see that this is an embarrassing matter to them. I may not know what the reason is, but it seems to be impossible to deal with this question by itself. It ought to be considered as a separate proposition. It was not put in the revenue bill in the first place for the purpose of raising revenue. It is not now here as a purely revenue matter, but because there was and is an opportunity to annex it to a tax bill. Those who have had courage enough to meet the question of postal rate adjustment have been in the minority and have been unable to secure consideration for it as an independent proposition.

I hope that during the next Congress we shall deal with this whole question in a separate bill, and that it can be brought forward standing upon its own bottom. The bill that we have here makes very little present difference in the situation as it affects publishers. The existing law has only been in force since the 1st of last July. It has not wrought serious injury to these publications; they are simply afraid of the future; and the pending amendment does not propose to change the 300-mile limit zone. That is to be at the old rate of 1 cent a pound. Such rate, in my judgment, is too low. I have no hesitation in saying that, because evidently it is true.

We are conducting the business of transporting these publications at a loss to the people. First-class letter postage pays not only its cost but yields a big revenue besides to the Government,

and yet under our existing rates on second-class matter we are obliged to use all of that surplus revenue to make up the deficit on such matter. Will anyone contend that it is right in equity or morals for the Government to tax one class of mail users at least 100 per cent more than the cost of their service in order that a bonus may be granted to another class of users who pay less than one-fifth of what it costs the Government to serve them? And when you consider that this latter class are using the mails largely for commercial purposes the more astounding the proposition becomes.

Mr. President, I for one propose to insist at the next session of Congress, if it is possible to do so, upon having this question raised and settled upon its merits. I do not want to do injustice to the publishers of the country. I may not know the facts, but I want to know them, and if they disclose discriminations I want to correct them. If I could be sure that this would be done, I would not care what happened in this bill. It would not make very much difference what you do with it if we could get action in the immediate future upon this proposition.

We have been dodging the issue. As was submitted by the Senator from Ohio [Mr. POMERENE], in the letter from Mr. Penton, some of the publishers themselves admit that they are securing from the Government something to which they are not entitled, and all of them know that this is so. It is unadulterated favoritism; and it is granted, I submit, simply or largely because of the influence that those publications can exert upon the political fortunes of Members of Congress who are called upon to legislate.

I feel this way, and this is my only excuse for giving expression to my thoughts at this time. I do not like to have the provision passed with the thought that I acquiesce in these things. When I have yielded in the past it has been because I have been obliged to do so, not being able to secure the thing that I felt was absolutely just and fair to all the people of the United States. If justice and equity were done, we could reduce first-class letter postage to 1 cent, and handle all the mail of the country without loss.

You may talk about educational influences, but I suppose that letter mail is an instrument of education quite as essential as the great majority of the publications that are getting this subsidy from the Government. People correspond through the mails. It is a source of intelligence; it has an uplifting influence; and yet we tax the letter writer 2 and 3 cents per letter in order that we can give advertising mediums an opportunity to go into the Treasury of the United States and use up all its surplus postal fund.

These are plain facts, but I believe they are truths. Some newspapers and other publications might be injured if they were compelled to pay their cost of transportation to the Government. Some might have to suspend; but I submit that other provisions of this tax law are not so solicitous of the businesses to which they apply. If we must impose special burdens upon one class of mail users in order to grant special privileges upon another class, if we must, in fact, place a financial burden upon the people, in order to keep alive a few newspapers and magazines published and circulated for personal benefit and financial profit, it is time we found out whether the result is worth while.

Mr. POMERENE. Mr. President, I had not intended to make any observations upon this subject, more than to ask a few questions as the debate progressed. My attention, however, has been called to the fact that the Senator from Utah [Mr. SMOOT], in beginning this discussion, referred to the letter of Mr. John A. Penton, which I had read into the Record, as having something about it which was an object of suspicion; at least, he referred to it as having a "nigger in the woodpile," or a nigger in the "wood fence," I am informed, is the way he put it.

I have known Mr. Penton for a good many years. He does not belong to my party, but he is one of the Republicans who has real courage; and when he sees that a thing is wrong the mere fact that righting it may take dollars out of his pocket does not influence his judgment as a public citizen.

No matter what position Senators may take as to what is the actual cost of delivery of second-class mail matter, everyone seems to concede that the carrying of newspapers and magazines by the Government is done at a very large loss. So far as this legislation is concerned it matters not whether that loss is \$25,000,000 or \$50,000,000 or \$70,000,000. The amount which the statute now requires these publishers to pay is only a modicum of the actual cost, and Senators shoot far afield when they simply suggest that it does not cost the Government as much as the Post Office Department contends that it does cost.

We have heard the argument to the effect that the press is an influence for good, and that therefore we ought to let it have these privileges. No one is denying the fact that the press is

an influence for great good. Through the propaganda which has been spread over this country during the past few years I have heard from many ministers of the Gospel on this subject, and they delight to tell of the influence of the religious papers, and state that they will be handicapped if they are not permitted to have them carried at special rates. But at the same time the atheist circulates his paper, having the same privileges; and while the minister of the Gospel is saying one word for the religious paper he is saying the same word for the atheist publication.

Then we have the publishers of the great literary magazines speaking of the benefit of their publications; and at the same time that they are speaking in the interest of their publications they are saying a good word for the publishers of the *Police Gazette*.

Mr. President, there is only one thing to do when it comes to legislation of this character, and that is to do what is going to be right for all the taxpayers and all the citizens of the country.

The Senator from Georgia [Mr. HARDWICK] referred to the large increase in the amount of advertising matter that appears in many of these periodicals. There is no question but that his statement is absolutely accurate, if he has not understated it; and what is this advertising matter? Why, it is a part of the merchandise of the advertiser.

The newspapers have said, the magazines said last year, "If you increase our rates, we must increase our subscription rates." Well, what if they do? Just the other day I received a statement from one of the magazines which heretofore I have received at \$3.50 a year. They have increased the subscription rate to \$4 a year. I am not complaining about that. It is a magazine that I have read for 30 years, and I expect to continue to read it. But I suspect that this great magazine—and its influence is great—if it would continue to take the right side of problems of this kind and say to the publishers everywhere, "You must pay for the service you get," would have a greater influence in the moral world than it and similar magazines have when they are insisting always that public servants shall vote to them large subsidies. If the Senators who are pleading for this subsidy for the publishers now were to ask for the same privilege for any other interest they would be driven from public life.

The fact is that I have heard it stated that those publishers who are opposed to this increase are now boasting of the scalps they got at the last election, and they are going to continue the fight. When I can stay in public life only by yielding to influences of that kind or threats of that kind, I prefer to get out of public life and remain in private life.

Mr. President, when this matter was up before I had some correspondence with the publishers of newspapers, and I read into the *Record* a letter from Mr. Harry E. Taylor, who is the publisher of one of the very live daily papers in southern Ohio. His home city is Portsmouth, a city of probably forty or fifty thousand inhabitants, and this was his letter:

DEAR SENATOR: I wish to express my hearty approval of your stand on the matter of newspapers and periodicals paying their way through the Postal Service. We are engaged in a legitimate commercial business, and we have no right to ask or expect that the Government shall carry our papers at a loss, as is being done now. I am confident that the great majority of publishers engaged in legitimate business feel about it as I do and are willing to pay their way with the Government or anyone else.

Sincerely,

HARRY E. TAYLOR.

And again he wrote me another letter, from which I at that time read into the *Record* a paragraph. I want to read it:

I have always felt that the drawback to the newspaper business was that it was not generally recognized as a legitimate commercial enterprise. It was the custom so long for publishers of newspapers to sit around at the back doors with their hands out, begging for alms, that newspaper men came to be regarded as a sort of high-class mendicant—a sort of necessary evil, as it were. Newspaper men seemed to think, and religiously cultivated the idea, that they could not get along without subsidies and concessions from city, county, State, and National Governments in the way of special privileges. It has seemed to me that the sooner we get away entirely from this idea and stand squarely on our feet, paying our way as we go, neither asking nor accepting favors, the better it will be for all of us.

I submit that Mr. Taylor takes the real position which ought to be assumed by every publisher.

Mr. TOWNSEND. May I interrupt the Senator from Iowa?

Mr. POMERENE. I yield.

Mr. TOWNSEND. I was interested in what the Senator said about the notice he had received from the magazine publisher that the price of his magazine was going up 50 cents a year. It reminds me of a little correspondence I had with one of my constituents who had been importuned by a magazine publisher to write to his Senator asking me to defeat any proposition which looked to an increase of the second-class mail rate, stating that if that were done the publisher would have to increase the price of his magazine 50 cents a year. I wrote to this correspondent

of mine and asked him about how many letters he and his family wrote during the year. He wrote me back that they figured it up that he and the rest of his family wrote on an average at least four letters a week, or 208 letters a year, on which they paid a postage of \$4.16. I suggested to him that the proposition was to reduce first-class letter postage to about what it cost, and to raise second-class mail postage to about what it would cost the Government, and if that were done he would get his letter postage for 1 cent and save \$1.08, and could therefore well afford to pay 50 cents to the publisher and save the balance.

Mr. POMERENE. I am glad the Senator has contributed that information to the discussion. I had a good deal of correspondence on this subject, too. Some of it was with high-school children. One of these very magazines to which I refer telegraphed me at one time to the effect that their magazine was being taken by many thousands of high-school pupils in the great State of Ohio, and so forth, and urged that I, for their benefit, should allow these publishers to get their hands into the public till. While they have increased the subscription price of the magazine, I dare say if we would reduce the price of postage on second-class mail matter to what it was before the increase was made there would not be any decrease in the subscription price of the journal.

Mr. McKELLAR. The amendment which I propose is to perfect the amendment of the committee. I now offer it and ask for a vote. I call attention to the fact that the amendment comes in on line 10, page 277 of the bill, immediately after the word "matter."

The VICE PRESIDENT. The amendment to the amendment will be stated.

The SECRETARY. On page 277 strike out all of line 10 after the word "matter" and all of line 11 and insert in lieu thereof the following:

Third zone, 13 cents per pound.

Fourth zone (300 to 600 miles), 2 cents per pound.

Fifth zone (600 to 1,000 miles), 3 cents per pound.

Sixth zone (1,000 to 1,400 miles), 4 cents per pound.

Seventh zone (1,400 to 1,800 miles), 5 cents per pound.

Eighth zone (over 1,800 miles), 6 cents per pound:

Provided, That free-in-county circulation provided by law shall continue as at present: *Provided further*, That the Postmaster General may hereafter require publisher to separate or "make up" to zones, or in such manner as may be directed, all matter of the second class when offered for mailing.

Mr. GRONNA. Mr. President, I shall occupy only a few minutes of the time of the Senate to briefly explain my own position and to state why I am opposed to the proposed change of the law. I think all of us realize the importance of collecting as much revenue as we possibly can to defray the expenses of this war. I believe even the Senator from Utah will admit that it is necessary in order to carry on the tremendous expenses of the Government.

If the provision which is now being discussed was simply one which affected newspapers I should not take any of the time of the Senate, nor should I oppose the provision offered. We know, Mr. President, that that is not the amendment which we are about to vote upon.

A farmer in the South raising cotton has just as much right to ask for a subsidy and ask that his cotton shall be transported free of charge to the markets as a newspaper publisher has to ask for the subsidy which is provided for in this amendment, not that portion of his paper or magazine which diffuses knowledge to the public, but the commercial part of his paper, namely, the advertising part, which is purely a commercial affair.

I say the cotton planter in the South has just as much right to ask for a subsidy and ask that his cotton be transported free, and so has the grain producer of the West or anyone else in the United States to ask for similar subsidy. Think of it, Senators! If any of us should propose a bill or an amendment asking that our product should be transported free of charge how ridiculous it would appear! But it is being done in this case simply because some of us are afraid of the great metropolitan press, afraid of the influence of newspapers and the magazines. Senators, the day may come when some of us will be willing and glad to let those gentlemen get our scalps rather than to submit to propositions which we know are unfair and unjust.

The Senator from Ohio [Mr. POMERENE] referred to the fact that those same people had gloated over the fact that they got the scalps of certain men in the last election, and that that campaign will be carried on. So far as I am personally concerned they are welcome to my scalp if at the expense and the sacrifice of my own conscience and my own judgment I shall submit to a proposition which is, in my judgment, unfair, unjust, and indefensible.



In the first place, Mr. President, I am going to vote against the amendment and support the Post Office Department in what they ask, because I know the Government needs the revenue. In the second place, I am going to oppose this amendment because I believe it is an injustice to the small newspaper men in the country. I wonder what the great Security League of New York will think about Senators who are opposing administration measures now. I hope this will not be one of the 8 or 10 propositions upon which they agreed to determine whether a man was loyal or disloyal.

I say to the Senator from Utah, who is courageous, that he is taking a tremendous responsibility upon himself, because that great league is composed of the great men of this country. I know one of them very well. He testified before the Committee on Agriculture last year, at least he was present for about 30 days. He was at that time representing some of the great trusts of the country. I do not say that all trusts are bad—100 per cent bad—but this particular gentleman was not representing the common people throughout the country at that time. Perhaps he has reformed now. Perhaps he has seen the error of his ways and been instrumental in having the resolution adopted in that great convention, and which the Senator from Utah just read into the RECORD, and I have no doubt it was a great convention, composed of very eminent men.

I say to the Senator from Utah if you take it as legitimate business proposition, you can not defend it; it is indefensible; and while you argue in favor of it, you will have to argue around a circle in order to defend yourself. From the standpoint of the publishers of the small newspapers of the country, I ask to have this letter read at the desk.

The PRESIDING OFFICER (Mr. KIRBY in the chair). The Secretary will read as requested.

The Secretary read as follows:

JAMESTOWN, N. DAK., December 13, 1918.

Hon. A. J. GRONNA,  
Washington, D. C.

DEAR SENATOR: We understand an effort is being made by the big daily and the magazine publishers to secure their old subsidy privileges of the mail by a repeal of the present zone system of postage rates. We earnestly hope you will oppose vigorously this rank discrimination against the small dailies, which are growing in numbers and filling a field satisfactorily. The small daily is rapidly developing into a necessity of the smaller towns, and the reason is evident. Type-setting machines and telephones transmitting news formerly sent by telegraph have given the small daily a chance to supply the needs of the community with a combination local and general newspaper. The big dailies do not print the local news, and all the small dailies now have wire press reports and print the important news of the world and the Nation, together with the local, State, and county news.

Many persons in small towns are not able to take or have time to read the larger dailies for the general news, and are satisfied with the small daily service. The local merchant also has in the small daily a satisfactory medium to advertise his goods, which is of value to the community and a right to which it is surely entitled.

The small daily is also filling a demand of farmers for a daily newspaper delivered by rural carriers. The war, the draft, and the Red Cross have created a new class of newspaper readers, and thousands of town and farm families are now subscribers to local dailies who never subscribed or read regularly any daily paper before. The combined local and general news in concise space is all that this class of readers desire. Should they be deprived of it?

Is not the privilege of the residents of the smaller towns equal in importance to the demands of publishers of larger dailies who wish to monopolize the local field, and is it just to permit the small daily to be driven out of existence by subsidizing the larger ones by Federal discrimination?

We believe that the injustice in permitting this will only add fuel to the arguments of those who are using claims of big business favoritism to create a strong sentiment in this country against all conservative, sane, and fair legislation for all classes alike.

We hope you will oppose strenuously and promptly any change in the zone system of postage rates for newspapers.

Yours, truly,

ALERT PUBLISHING CO.,  
By W. R. KELLOGG.

Mr. GRONNA. Mr. President, that letter is from a newspaper man in my State, a man of very high standing. He is also a Republican.

If it were not for the fact that the Government at this particular time needs all the money that we can possibly collect, it might not be out of place to take this \$70,000,000 out of the Treasury and subsidize the press to that amount, if they were willing to acknowledge that they are subsidized. But, Mr. President, for one I have nothing against the large newspapers of the country. They are really responsible for my presence here, because I have always had their opposition. Had it not been for their opposition, I doubt if I would have been here at all. I know the voice of the country press, of the little weekly newspaper, of the small daily newspaper in the country comes nearer to expressing the real sentiment of the people of the country than the voice of some of the large metropolitan newspapers.

Some other day, when the time of the Senate is not so precious as it is now, I shall try to amplify upon this subject; but I see that my patient, good friend from North Carolina, the chairman of the committee, is getting somewhat anxious to have the bill passed.

Mr. SIMMONS. The Senator has correctly interpreted my feelings.

Mr. GRONNA. I shall forego taking up very much more time, although I should like to have an hour or two to tell the Senators who are present and others who may hear me what I think about this proposition. But I am going to ask the Senate to listen to a letter written by a Democratic editor of North Dakota, the editor of the only daily Democratic newspaper in my State. It is a letter which was sent to me last year. I ask the Secretary not to read his letter to me, but to read a letter which is addressed to Mr. Rex Beach. It seems that Mr. Rex Beach was president of the Authors' League of America to educate other editors throughout the country, and the letter which I ask to have read is in answer to Mr. Rex Beach by Col. J. H. Bloom, of Devils Lake, N. Dak.

The PRESIDING OFFICER. The Secretary will read as requested.

The Secretary read as follows:

DEVILS LAKE, N. DAK.

Mr. REX BEACH,  
New York, N. Y.

DEAR SIR: I have your article advocating repeal of the new second-class postage rates which you kindly gave me first chance to publish here. I can not use this article, for I am not at all in sympathy with your position nor is this very strange. You are a magazine and story writer; I just a plain country editor. We have no interests in common.

With the abolition of the railroad pass and other "something-for-nothing" privileges, there no longer exists any good reason why even newspapers should be deadheading it at the post office. Whatever faint excuse there may have been at one time for the carriage at a loss by Government of newspapers, none has ever existed for so carrying magazines, for this nearly free carriage and distribution could be regarded as advisable only in connection with dissemination of news, not of mere information, no matter how valuable the latter. Books give information, generally more thoughtfully prepared. Free or nearly free distribution for country newspapers did give a means of quickly getting to rural and small-town residents important news about current happenings, but that argument never applied to the magazine, which of necessity is prepared days and even weeks ahead of publication. Its contents, while in some instances containing knowledge, by no possibility furnish news, for such information as is provided ceased to be news 24 hours after it was made public.

My objection to the new law is that it does not go far enough nor quick enough. If I had my way, the rates would jump until this handling of second-class mail became profitable. Subscribers who were unwilling to pay a proper price, based on cost, for favorite periodicals, would be of mighty little value to the community.

I live in a region of farmers, and so far as they are concerned know that they are literally pestered with "junk" masquerading as farm journals, and a law that would relieve them would be welcome. I am quite aware that many people have no high regard for the country press and consider it of little consequence. Likewise many people think that we have too many magazines which are entirely unsuited for admittance to respectable homes. They get their large circulations because, through "sponging" their transportation from the Government, they can afford to make enticing offers to subscribers, and having built a big circulation get a stiff price from advertisers. Moreover, these advertisements are simply circulars or third-class matter, save in method of distribution. As such, they should pay 8 cents per pound instead of 1.

They would give away circulation if the law permitted, and even now they circumvent it in every way possible. Here is one way in which farm journals get around it: With a subscription price of \$1, a journal I have in mind gives a solicitor 95 cents for procuring the subscription, and then gives a premium to the farmer which costs 35 cents, though it is represented as worth \$1.50. In one case of this sort 60,000 subscriptions out of 500,000 issue were taken because of a real desire for the farm journal, the entire remainder being induced by joint action of glib-tongued solicitor and fascinating "premium."

As a result, advertisers are "biked" into giving business to "circulation" which few read, and the post office is burdened with distribution at a loss of mountains of trash. With popular magazines the desire for increased circulation induces publishers to give agencies such rates that clubbing offers work a similar fraud upon the department and the advertiser. Wasted circulation is promoted. A subscriber who takes three periodicals, with aggregate list price of \$3.50 for \$2, may find that the first is one he does not want, the second his wife does not want, and the third neither wants.

I will admit I am mercenary in opposing, just as you are in exploiting, your program. I am opposed to classifying newspapers with magazines for postage purposes. Not only do newspapers render services to the public which entitle them to better rates but also the haul of the magazine is a thousand miles, and then some, while the newspaper goes perhaps 50 miles. When rates are based on common sense, the country paper will come into its own again, and the advertising that formerly appeared in its columns but has of late been carried in magazines will once more return there. Then its influence will increase, for advertising will protect its patrons against mail-order vampires, and the local merchant can once more afford to take space and exploit his wares, to the joint benefit of himself, the farmer, and the small paper.

THE ZONE SYSTEM IS THE SALVATION OF THE COUNTRY PAPER.

Every country newspaper in the United States should oppose your scheme of repeal, but they won't, for they haven't sense enough to do it. They will follow the lead of the big city papers and magazines of the East and howl about the great injustice of the increase, as you so thrillingly put it, blissfully unconscious of the fact that by so doing they are assisting the chief agents of the mail-order houses in stealing away their trade.

Another point: I want any paper that comes into my territory from St. Paul, Chicago, and New York to pay well for the privilege; at least, let it pay cost. I have to pay freight on my paper which comes to me before it is printed and then I distribute it to near-by patrons by mail, and I object to the easterner getting his paper, just because it is printed, into my people's hands free, or nearly so.

If our Congressmen do their duty by their constituents, the only change that will be made in the law will be to put more "teeth" into it, making second-class mail pay cost of handling.

Believe me, the noise the "big boys" are making is tuneless to me, but I am wondering if they can continue to get away with it. I know they should not, but they are a resourceful lot. It wasn't such a bad idea, either, to get you and the Authors' League to do some of the calamity howling.

Yours, very truly,

J. H. BLOOM,  
Editor The Journal.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Tennessee [Mr. McKellar] to the amendment of the committee.

Mr. SIMMONS. I understand the amendment of the Senator from Tennessee is an amendment to the committee amendment repealing the zone system.

Mr. McKellar. It is to perfect the amendment.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question recurs on the adoption of the amendment proposed by the committee.

Mr. HARDWICK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Beckham	Johnson, Cal.	New	Smith, S. C.
Borah	Johnson, S. Dak.	Norris	Smoot
Calder	Jones, N. Mex.	Nugent	Spencer
Curtis	Jones, Wash.	Page	Sutherland
Dillingham	Kellogg	Penrose	Swanson
Fernald	Kendrick	Polindexter	Thomson
Fletcher	Kenyon	Pollock	Townsend
France	Kirby	Pomerene	Trammell
Frelinghuysen	Knox	Ransdell	Underwood
Gay	La Follette	Saulsbury	Vardaman
Gerry	Lodge	Shafroth	Warren
Gronna	McKellar	Sheppard	Watson
Harding	McNary	Sherman	Weeks
Hardwick	Martin, Ky.	Simmons	
Henderson	Martin, Va.	Smith, Ariz.	
Hitchcock	Moses	Smith, Md.	

The PRESIDING OFFICER. Sixty-one Senators have answered to their names. There is a quorum present. The question recurs upon the adoption of the amendment as proposed by the committee.

Mr. McKellar. On that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. NORRIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. NORRIS. Is the vote to be taken on the committee amendment or is there a vote to be taken on an amendment to the amendment?

The PRESIDING OFFICER. The vote is now to be taken on agreeing to the amendment as proposed by the committee.

Mr. NORRIS. I thought the Senator from Tennessee had offered an amendment to the amendment.

The PRESIDING OFFICER. His amendment to the amendment was defeated. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. GAY (when his name was called). I announce my pair with the Senator from Indiana [Mr. New]. If I were at liberty to vote, I should vote "yea." Not knowing how the Senator from Indiana would vote if present, I refrain from voting.

Mr. FERNALD (when Mr. Hale's name was called). I desire to announce that my colleague, the junior Senator from Maine [Mr. Hale], is absent on official business. If he were present, he would vote "yea."

Mr. KNOX (when his name was called). I have a general pair with the senior Senator from Oregon [Mr. Chamberlain], who is not present. I transfer that pair to the senior Senator from Minnesota [Mr. Nelson] and vote "yea."

Mr. PENROSE (when his name was called). I have a general pair with the senior Senator from Mississippi [Mr. Williams], which I will transfer to the junior Senator from Maine [Mr. Hale] and will vote "yea."

Mr. SAULSBURY (when his name was called). I have a general pair with the Senator from Rhode Island [Mr. Colt]. Not knowing how he would vote, if present, I refrain from voting.

Mr. SMITH of South Carolina (when his name was called). I have a general pair with the Senator from South Dakota [Mr. Sterling]. In his absence I withhold my vote.

Mr. TOWNSEND (when his name was called). I have a pair with the senior Senator from Arkansas [Mr. Robinson], and therefore withhold my vote.

The roll call was concluded.

Mr. UNDERWOOD. I wish to announce that my colleague [Mr. Bankhead] is absent on account of official business. He is paired with the Senator from New Jersey [Mr. Baird].

Mr. KENDRICK (after having voted in the affirmative). I have a general pair with the senior Senator from New Mexico [Mr. Fall]. I transfer that pair to the Senator from Texas [Mr. Culberson], and will let my vote stand.

Mr. SHERMAN (after having voted in the affirmative). I have a pair with the senior Senator from Kansas [Mr. Thompson]. I am informed that if present he would vote for the committee amendment. So I am at liberty to vote, and I will let my vote stand.

Mr. WATSON (after having voted in the affirmative). I have a general pair with the junior Senator from Delaware [Mr. Wolcott]. I voted, but because I am unable to obtain a transfer of my pair I desire to withdraw my vote.

Mr. WARREN (after having voted in the affirmative). Has the Senator from North Carolina [Mr. Overman] voted?

The PRESIDING OFFICER. He has not.

Mr. WARREN. Then I will ask to withdraw my vote, as I have a general pair with that Senator.

Mr. STERLING. I desire to state that the Senator from North Carolina [Mr. Overman], the Senator from Delaware [Mr. Wolcott], the Senator from Minnesota [Mr. Nelson], the Senator from Missouri [Mr. Reed], and the Senator from Utah [Mr. King] are absent on business of the Senate.

Mr. GERRY. I wish to announce that the Senator from California [Mr. Phelan] is detained on official business.

I desire also to announce that if the Senator from Utah [Mr. King] were present, he would have voted in favor of the so-called McKellar amendment.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Connecticut [Mr. Brandegee] with the Senator from Tennessee [Mr. Shields];

The Senator from West Virginia [Mr. Goff] with the Senator from Oklahoma [Mr. Owen];

The Senator from Michigan [Mr. Smith] with the Senator from Missouri [Mr. Reed]; and

The Senator from New York [Mr. Wadsworth] with the Senator from New Hampshire [Mr. Hollis].

Mr. McKellar. I desire to announce that my colleague [Mr. Shields] is detained from the Senate on account of illness.

Mr. STERLING (after having voted in the affirmative). I am informed that the Senator from South Carolina [Mr. Smith], with whom I have a general pair, has not voted. Not knowing how he would vote, I withdraw my vote.

The result was announced—yeas 34, nays 22, as follows:

#### YEAS—34.

Borah	Hitchcock	McNary	Simmons
Calder	Johnson, Cal.	Martin, Va.	Smith, Md.
Dillingham	Jones, N. Mex.	Moses	Smoot
Fernald	Jones, Wash.	Page	Spencer
Fletcher	Kendrick	Penrose	Swanson
France	Knox	Polindexter	Underwood
Gerry	Lodge	Pollock	Weeks
Harding	McCumber	Ransdell	
Henderson	McLean	Sherman	

#### NAYS—22.

Beckham	Kenyon	Norris	Sutherland
Curtis	Kirby	Nugent	Thomas
Gronna	La Follette	Pomerene	Trammell
Hardwick	McKellar	Shafroth	Vardaman
Johnson, S. Dak.	Martin, Ky.	Sheppard	
Kellogg	Myers	Smith, Ariz.	

#### NOT VOTING—40.

Ashurst	Gay	Overman	Smith, S. C.
Baird	Goff	Owen	Sterling
Bankhead	Gore	Phelan	Thompson
Brandegee	Hale	Pittman	Townsend
Chamberlain	Hollis	Reed	Wadsworth
Colt	King	Robinson	Walsh
Culberson	Lenroot	Saulsbury	Warren
Cummins	Lewis	Shields	Watson
Fall	Nelson	Smith, Ga.	Williams
Frelinghuysen	New	Smith, Mich.	Wolcott

So the amendment of the committee was agreed to.

Mr. SIMMONS. Mr. President, on page 7, line 1, the committee desire to perfect its amendment by adding, after the word "any," the word "stock," and after the word "taxpayer," by inserting the words "during the calendar year 1918."

The PRESIDING OFFICER (Mr. Martin of Kentucky in the chair). The amendment to the amendment proposed by the Senator from North Carolina will be stated.

The SECRETARY. On page 7, line 1, after the word "any," which is the first word in the line, it is proposed to insert the word "stock," so that it will read "any stock dividend," and after the word "taxpayer," in the same line, to insert the words "during the calendar year 1918."

The PRESIDING OFFICER. The question is on the amendment to the amendment of the committee.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the amendment as amended.

The amendment as amended was agreed to.

Mr. SIMMONS. Mr. President, I will ask the Secretary to read the next committee amendment which was passed over.



The SECRETARY. The next amendment passed over was, on page 11, beginning in line 3, which was passed over at the instance of the senior Senator from Wisconsin [Mr. LA FOLLETTE], where the committee proposed to strike out beginning in line 3, down to and including line 9, as follows:

(a) In the case of a citizen or resident of the United States 12 per cent of the amount of the net income in excess of the credits provided in section 216: *Provided*, That upon the first \$4,000 of this amount the rate shall be 6 per cent.

(b) In the case of a nonresident alien, 12 per cent of the amount of the net income in excess of the credits provided in section 216.

And in lieu thereof to insert:

(a) For the calendar year 1918, 12 per cent of the amount of the net income in excess of the credits provided in section 216: *Provided*, That in the case of a citizen or resident of the United States the rate upon the first \$4,000 of such amount shall be 6 per cent.

(b) For each calendar year thereafter, 8 per cent of the amount of the net income in excess of the credits provided in section 216: *Provided*, That in the case of a citizen or resident of the United States the rate upon the first \$4,000 of such amount shall be 4 per cent.

Mr. SIMMONS. Mr. President, that amendment was passed over with my consent. It involves the 1920 tax, and I think it may again be passed over. I do not think we are ready to take it up at this time.

Mr. President, I think the Senator from Wisconsin [Mr. LA FOLLETTE] asked that the surtax section on page 11 be passed over. There is no notation on the back of the bill that he requested it, but I am quite sure that he did request it. I will ask the Senator from Wisconsin if I am correct about that?

The PRESIDING OFFICER. That amendment has been agreed to.

Mr. LA FOLLETTE. It has been agreed to. I waived that request.

Mr. SIMMONS. Very well; I overlooked that fact.

The PRESIDING OFFICER. The next amendment passed over will be stated.

The SECRETARY. The next amendment passed over is the one at the foot of page 47, which was passed over at the instance of the Senator from New Mexico [Mr. JONES]. The amendment is under the heading of "Tax on corporations"—

Mr. JONES of New Mexico. Mr. President, I should like to have that section go over again if agreeable. I wish to submit to the Senate some remarks concerning it, and I do not believe that I care to do so this afternoon, unless it is insisted upon. I should like to take that up with some other provisions of the bill, which I hope to discuss the first thing to-morrow.

Mr. SIMMONS. Mr. President, I shall not insist upon it, because I am aware of the fact that the Senator desires to discuss other portions of the bill in connection with that provision.

The PRESIDING OFFICER. The Secretary will state the next amendment passed over.

The SECRETARY. The next amendment passed over was passed over at the request of the Senator from Utah [Mr. SMOOT], on page 65, beginning in line 1, to insert:

#### CONSOLIDATED RETURNS.

SEC. 240. (a) That corporations which are affiliated, within the meaning of this section, shall, under regulations to be prescribed by the commissioner, with the approval of the Secretary, make a consolidated return of net income and invested capital for the purposes of this title and Title III, and the taxes thereunder shall be computed and determined upon the basis of such return.

In any case in which a tax is assessed upon the basis of a consolidated return, the total tax shall be computed in the first instance as a unit and shall then be assessed upon the respective affiliated corporations in such proportions as may be agreed upon among them, or, in the absence of any such agreement, then on the basis of the net income and invested capital properly assignable to each. There shall be allowed in computing the income tax only one specific credit of \$2,000 (as provided in section 236); in computing the war-profits credits (as provided in section 311) only one specific exemption of \$3,000; and in computing the excess-profits credit (as provided in section 312) only one specific exemption of \$3,000.

(b) For the purpose of this section, two or more corporations shall be deemed to be affiliated—

(1) If one corporation owns directly or controls through closely affiliated interests or by a nominee or nominees substantially all the stock of the other or others, or if substantially all the stock of two or more corporations is owned or controlled by the same interests, or if one such corporation buys from or sells to another products or services at prices above or below the current market, thus effecting an artificial distribution of profits, or in any way so arranges its financial relationships with another corporation as to assign to it a disproportionate share of net income or invested capital.

(2) A foreign corporation shall not be deemed to be affiliated with a domestic corporation unless substantially all its stock is owned or controlled by such domestic corporation or by a resident taxpayer or group of resident taxpayers owning or controlling substantially all the stock of such domestic corporation. Where under this subdivision a foreign corporation is affiliated with a domestic corporation, the total tax (computed as a unit as above provided) shall be reduced by the credit authorized in section 238.

Mr. SMOOT. Mr. President, I will state that I asked that that amendment go over at the request of the Senator from Minnesota [Mr. KELLOGG], who is now present and who will offer any amendment he desires.

Mr. KELLOGG. Mr. President, I have heretofore presented an amendment, which was printed, providing a substitute for subdivisions 1 and 2 of paragraph (b) of the amendment in regard to consolidated returns; but on reconsideration I ask to perfect the amendment so as simply to strike out part 2 of subdivision (b), on page 66, and insert in lieu thereof the amendment which I will ask to have read.

The PRESIDING OFFICER. The Secretary will read the amendment offered by the Senator from Minnesota to the amendment reported by the committee.

The SECRETARY. On page 66, beginning in line 8, it is proposed to strike out subdivision 2 of paragraph (b) down to and including line 16 on that page and to insert in lieu thereof the following:

(2) A foreign corporation shall not be deemed to be affiliated with a domestic corporation unless a majority of the stock or a controlling interest in the stock is owned or controlled by such domestic corporation or a resident taxpayer or group of resident taxpayers, or by such domestic corporation and a resident taxpayer or group of resident taxpayers closely affiliated with the management of said domestic corporation. Where under this subdivision a foreign corporation is affiliated with a domestic corporation the total tax (computed as a unit, as above provided) shall be reduced by the credit authorized in section 238.

Mr. KELLOGG. Mr. President, the object of that amendment is simply this: A domestic corporation doing business in a foreign country—in Canada, for illustration—renders a consolidated return of all its business and profits, but it is given credit for the taxes which it pays in Canada, as Canadian corporations are given credit for taxes they pay in this country. As a matter of fact, in carrying on business in Canada American corporations have found it necessary, instead of becoming admitted into Canada as foreign corporations, to hold the stock of Canadian corporations, and in many instances they have allowed local stockholders of their holding company to subscribe for stock in the Canadian company.

While, of course, the Congress can not compel a foreign corporation to make a consolidated return in this country, yet it is to the advantage of the foreign corporation to make a consolidated return if it can have a credit for the taxes it pays in that country, the same as foreign corporations have for taxes paid in this country; otherwise it is perfectly manifest that holding corporations in this country which have been compelled to carry on their business in a foreign country through a sub-company will not have any dividend declared from the sub-company.

I believe the Treasury Department is convinced that the Government will get more taxes under the amendment I have proposed and at the same time it will encourage American business men to continue business in Canada.

Along the northern boundary of this country there are a great many business institutions which have branches in Canada which are usually controlled by a holding company. The holding company sometimes owns 35 or 40 or 50 per cent, and the stockholders, resident taxpayers, will hold the remainder; but they are affiliated together, the companies are operated as one company, and they are perfectly willing to make returns as one company.

This bill provides—and it is a very wise provision—that where substantially all the stock belongs to a holding company it shall make consolidated returns. Personally I can not see any reason why, if they control the sub-company, a consolidated return should not be required in the same way.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. KELLOGG. Certainly, I yield.

Mr. SMOOT. I notice that the Senator's amendment provides, "unless a majority of the stock or a controlling interest in the stock is owned or controlled by such domestic corporation or a resident taxpayer," and so forth. A controlling interest in the stock might be even less than a majority of the stock.

Mr. KELLOGG. It might be less.

Mr. SMOOT. That often happens.

Mr. KELLOGG. If the company is controlled by the stock of some of its own stockholders who act with the company that would be a controlling interest.

Mr. SMOOT. Does not the Senator think that if the corporation is allowed to make a consolidated return it at least ought to have a majority of or a controlling interest in the stock? Many corporations are controlled by one man who owns, say, 45 per cent of the stock; and it seems to me if we are going to allow consolidated returns at least there ought to be a majority of the stock owned by the individual.

Mr. KELLOGG. That is owned by the company or individual stockholders—resident taxpayers—who act with it.

Mr. SMOOT. Certainly.

Mr. KELLOGG. I have no objection to that, and I will perfect the amendment in that way if the Senator from North Carolina is willing to accept it.

Mr. SIMMONS. What is the suggestion?

Mr. SMOOT. I called the attention of the Senator from Minnesota to the fact that under the wording of his amendment a controlling interest in the stock may be less than the majority of the stock, and I asked the Senator if he would not be willing to amend his amendment so as to require a majority of the stock to be owned or controlled by the corporation making the consolidated return.

Mr. SIMMONS. Not less than a majority.

Mr. SMOOT. Not less than a majority of the stock.

Mr. SIMMONS. If the Senator will do that—

Mr. KELLOGG. Mr. President, I have no objection to that, provided that majority includes the stock held by resident taxpayers who act with the affiliated corporation, the same as in the case of the original amendment.

Mr. SMOOT. Then say "not less than a majority of the voting stock."

Mr. KELLOGG. If the Senator in charge of the bill wishes, I will withdraw the amendment at present and offer it later.

Mr. SIMMONS. I think that will hardly be necessary.

Mr. KELLOGG. Then, Mr. President, I will read the amendment as I have modified it:

(2) A foreign corporation shall not be deemed to be affiliated with a domestic corporation unless a majority of the voting stock is owned or controlled by such domestic corporation or a resident taxpayer or group of resident taxpayers or by such domestic corporation and a resident taxpayer or group of resident taxpayers closely affiliated with the management of said domestic corporation. Where under this subdivision a foreign corporation is affiliated with a domestic corporation the total tax (computed as a unit as above provided) shall be reduced by the credit authorized in section 238.

Mr. SIMMONS. I did not hear the first part of the suggestion, having been interrupted. Does it provide that it shall be not less than a majority of the voting stock?

Mr. KELLOGG. Yes; "unless a majority of the voting stock"

Mr. SIMMONS. If that is the amendment, while I think the committee amendment is somewhat preferable, I am anxious not to have controversies where it is not necessary, and the amendment of the Senator from Minnesota is so much like that of the committee that I am disposed to accept it.

Mr. KELLOGG. I send the amendment to the desk.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota to the amendment reported by the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The SECRETARY. The next amendment passed over will be found on page 84, beginning with line 19.

Mr. SIMMONS. I will ask the Chair if there was not an amendment passed over on page 83?

The PRESIDING OFFICER. There was not. The Senator from Colorado gave notice that later on he would offer a substitute for the amendment on page 83.

Mr. SIMMONS. Yes. It is marked here, and the mark does not indicate the purpose.

The SECRETARY. The next amendment passed over begins on page 84 with the subdivision (b) under the third bracket on line 19, and was passed over at the request of the Senator from Utah [Mr. SMOOT].

Mr. SMOOT. Those are the 1920 rates on excess profits, and that amendment will be disposed of in connection with the other similar amendments in other parts of the bill.

Mr. SIMMONS. Let that go over again.

The PRESIDING OFFICER. The amendment will be again passed over.

Mr. SMOOT. Mr. President, on page 168, if the Senator will turn to that page, on line 25, the word "in," after the word "spirits," should be "and."

Mr. SIMMONS. That is correct.

Mr. SMOOT. I move to strike out "in" and insert "and" at that point.

The PRESIDING OFFICER. Without objection, the vote whereby the amendment was agreed to will be reconsidered. The Chair hears no objection.

The SECRETARY. On page 168, line 25, after the word "spirits," it is proposed to strike out the word "in" and insert in lieu thereof the word "and."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The SECRETARY. The next amendment passed over is on page 85—

Mr. SMOOT. The amendment on page 85 was passed over for the same reason as the former amendment.

Mr. SIMMONS. That is because it involves the question of the excess-profits tax.

The SECRETARY. On page 95—

Mr. SIMMONS. Mr. President, that amendment was passed over at the request of the Senator from Louisiana [Mr. RANSDELL]. I think the Senator has decided not to offer an amendment, which at one time he expected to offer.

The PRESIDING OFFICER. The question is upon agreeing to the amendment of the committee.

The amendment was agreed to.

The SECRETARY. The next amendment passed over will be found on page 105, under "Part VII.—Miscellaneous," section 335.

Mr. SMOOT. That is the same thing, and I ask that that be passed over.

The PRESIDING OFFICER. The amendment will be again passed over.

The SECRETARY. The next amendment passed over is the one on page 107, at the foot of the page, where the committee proposes to strike out "Title IV.—Estate tax," going to the bottom of page 136. The amendment was passed over at the instance of the Senator from Colorado [Mr. THOMAS].

Mr. SIMMONS. Mr. President, I do not see the Senator from Colorado in the Chamber. I should like very much to have action upon this amendment this afternoon, if possible.

Mr. LA FOLLETTE. Mr. President, I think the Senator from Colorado has left the Chamber for the day. He stated to me a few moments ago that he was having some throat trouble, and had to be treated by a specialist; and I understood him to say that he would not be here for the balance of the afternoon.

Mr. SIMMONS. Very well, Mr. President; let it go over.

The PRESIDING OFFICER. The amendment will be again passed over.

The SECRETARY. The next amendment passed over will be found on page 137.

Mr. SIMMONS. That amendment was passed over at the instance of the Senator from Washington [Mr. JONES]. He is not here, and he requested me to have it passed over again. He said that he was necessarily called out of the Chamber.

The PRESIDING OFFICER. The amendment will be again passed over.

The SECRETARY. The next amendment passed over will be found on page 144, and was passed over at the suggestion of the chairman of the committee.

Mr. SIMMONS. Mr. President, I now send to the desk an amendment proposed by the committee as a substitute for the whole of the balance of that section. The section relates to marine and fire insurance and some other miscellaneous insurance.

I will state to the Senate that the committee has worked out in the case of fire and marine insurance a different scheme of taxation from that embodied in the bill, just as it worked out a different scheme of taxation on life insurance companies, which has heretofore been adopted by the Senate. I now send the amendment to the desk. It will be seen that there are at the end of the substantive amendments a great many small amendments that are made necessary by the sweeping change in this title of the bill.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. The amendment begins on page 143, line 4, with the heading "Insurance." After the heading "Insurance," it strikes out all of sections 503 and 504 and proposes the insertion of four new sections, as follows:

SEC. 503. That there shall be levied, collected, and paid in respect of all policies (not exempt under subdivision (b) of section 505) issued by any mutual insurance company a tax equivalent to 1 per cent of the excess of the gross amount of premiums charged (including reinsurance premiums charged) under such policies over the amount of premiums paid for reinsurance, return premiums, and premiums on policies not taken, such tax to be paid by the company issuing the policy.

SEC. 504. That from and after January 1, 1918, there shall be levied, collected, and paid, in respect of all policies (not exempt under subdivision (b) of section 505) issued by any insurance company other than a mutual insurance company, the following taxes upon the excess of the gross amount of premiums charged (including reinsurance premiums charged) under such policies, over the amount of premiums paid for reinsurance, return premiums, and premiums on policies not taken, such tax to be paid by the company issuing the policy:

(a) In the case of policies of casualty insurance, a tax equivalent to 1½ per cent of such excess;

(b) In the case of policies of marine and inland insurance (except policies of insurance upon exports) a tax equivalent to 2½ per cent of such excess: *Provided*, That under rules prescribed by the commissioner, with the approval of the Secretary, any marine insurance company or fire and marine insurance company may elect to be taxed in respect of all policies (including policies of insurance upon exports)



issued by such company, in which case the rate shall be 1½ per cent, but such election once made shall be adhered to in subsequent years unless permission to change is given by the commissioner;

(c) In the case of all other policies a tax equivalent to 1½ per cent of such excess.

SEC. 505. (a) That for the purposes of sections 503 and 504 the term "policies" includes contracts of reinsurance, and all fidelity and surety bonds upon which premiums are charged, and the term "insurance company" includes reinsurance companies.

(b) Policies issued by any corporation enumerated in section 231, life insurance and annuity contracts issued by any life insurance company, and mortgage guarantee policies and policies guaranteeing titles to real estate, shall be exempt from the taxes imposed by sections 503 and 504.

SEC. 506. That the taxes imposed by sections 503 and 504 shall be computed quarterly for the periods ending on March 31, June 30, September 30, and December 31, of each year, and every person subject to such taxes shall make quarterly returns under oath, in duplicate, to the collector of the district in which the principal office or place of business of such person is located. Such returns shall contain such information and shall be made in such manner and at such times as the commissioner, with the approval of the Secretary, may prescribe. The tax shall, without assessment by the commissioner or notice from the collector, be paid to the collector at the time so prescribed for filing the return: *Provided*, That in the case of the tax imposed by section 504 for the calendar year 1918, return shall be made and the tax shall be paid on or before March 15, 1919, and any amounts theretofore paid under subdivision (b) or (c) of section 504 of the revenue act of 1917, or under subdivision 2 of schedule A of Title VIII of the revenue act of 1917, on account of any policy issued on or after January 1, 1918, shall be credited toward the payment of such tax.

If any tax imposed by section 503 or section 504 is not paid when due, there shall be added as part of the tax a penalty of 5 per cent of the amount unpaid, together with interest thereon at the rate of 1 per cent for each full month from the time the tax became due until paid.

Mr. SIMMONS. Mr. President, my motion is to strike out all of section 503 and all of section 504 and insert what has been read by the Secretary. It begins on page 143, line 5, and is a motion to strike out all of section 503 and section 504.

Mr. CURTIS. Mr. President, does the Senator expect to have a vote on that amendment to-night?

Mr. SIMMONS. I should like to have it voted upon to-night.

Mr. CURTIS. There are several Senators who are interested in that section, and who were not aware that the amendment was to be proposed. If the Senator wants a vote now, I shall have to suggest the absence of a quorum.

Mr. SIMMONS. I shall not ask for a vote to-night if the Senator is going to make that motion; but I do not believe there will be any objection to this change in the bill.

Mr. CURTIS. The amendment has not yet been explained, and it is a new proposition. It has not yet been printed.

Mr. SIMMONS. Very well, Mr. President; the matter may go over. Does the Senator object to having it adopted subject to a motion to reconsider if any Senator desires?

Mr. CURTIS. If the Senator will consent to that action being taken.

Mr. SIMMONS. Yes; I will consent to that.

Mr. CURTIS. The Senator will agree to have it reconsidered if anybody objects in the morning?

Mr. SIMMONS. I will agree to it; yes.

The PRESIDING OFFICER. The question is on the amendment proposed by the committee.

The amendment was agreed to.

The SECRETARY. On page 9, in lines 8 and 16, after the word "company," it is proposed to insert the words "or a mutual insurance company."

The PRESIDING OFFICER. For the purpose of this amendment and the others about to be stated, the votes whereby amendments have already been agreed to will be reconsidered in the absence of objection.

Mr. SIMMONS. I make that motion, Mr. President.

The PRESIDING OFFICER. The Chair hears no objection, and the votes will be reconsidered.

Mr. SIMMONS. Therefore the Chair can consider as being reconsidered all the amendments necessary to perfect this amendment.

The SECRETARY. On page 9, lines 8 and 16, after the word "company," it is proposed to insert the words "or a mutual insurance company" within the parentheses.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The SECRETARY. On page 31, line 14, after the word "income," at the end of the line, it is proposed to insert a comma and the words "or taxable under section 504."

The amendment was agreed to.

The SECRETARY. On page 39, line 7, after the word "income," it is proposed to insert a comma and the words "or taxable under section 504."

The amendment was agreed to.

The SECRETARY. On page 47, lines 21 and 22, after the word "corporation," in line 21, it is proposed to strike out the words "other than a life insurance company" and insert "except insurance companies taxable under section 245 or section 504."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The SECRETARY. On page 55, line 24, after the word "income," it is proposed to insert a comma and the words "or taxable under section 504."

The amendment was agreed to.

The SECRETARY. On pages 58 to 60, it is proposed to strike out paragraph "(10)," beginning on line 24, page 58, and all of paragraphs "(11)" and "(12)" down to and including line 4 on page 60.

The amendment was agreed to.

The SECRETARY. On page 61, lines 10 and 11, it is proposed to strike out the words "except in the case of life insurance companies" and insert in lieu thereof "for the purpose only of the tax imposed by section 230."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The SECRETARY. On page 67, line 1, after the word "companies," in the title, it is proposed to add the words "and mutual insurance companies."

The amendment to the amendment was agreed to.

The SECRETARY. On page 67, line 4, after the word "company," it is proposed to insert "and every mutual insurance company."

The amendment to the amendment was agreed to.

The SECRETARY. On page 67, line 5 and line 10, it is proposed to strike out the words "life insurance."

The amendment to the amendment was agreed to.

The SECRETARY. On page 67, line 18, it is proposed to strike out the words "a life" and insert the word "an."

The amendment to the amendment was agreed to.

The SECRETARY. After the word "company," in line 19, it is proposed to insert the words "taxable under section 245."

The amendment to the amendment was agreed to.

The SECRETARY. On page 67, line 23, and on page 68, line 1, it is proposed to strike out the word "An" and insert the words "In the case of a life insurance company, an."

The amendment to the amendment was agreed to.

The SECRETARY. On page 68, line 16, it is proposed to strike out the words "life insurance."

The amendment to the amendment was agreed to.

The SECRETARY. Also, on page 68, line 21, it is proposed to strike out the words "a life" and insert the word "an."

The amendment to the amendment was agreed to.

The SECRETARY. And after the word "company," it is proposed to insert the words "taxable under section 245."

The amendment to the amendment was agreed to.

The SECRETARY. On line 24, after the word "rents," it is proposed to insert a semicolon and the following: "and (2) the term 'reserve funds required by law' includes, in the case of any assessment insurance company, sums actually deposited with State or Territorial officers pursuant to law as guarantee or reserve funds."

The amendment to the amendment was agreed to.

Mr. SIMMONS. Mr. President, in the amendment on page 68, line 21, which reads: "Strike out the words 'a life' and insert the word 'an,' and after the word 'company' insert the words 'taxable under section 245,'" I am advised that the numeral "1" should be inserted in brackets.

The SECRETARY. In the amendment on page 68, line 21, it is proposed to strike out the words "a life" and insert "an," and after the word "company," at the end of the line, it is proposed to insert "taxable under section 245," and to insert in brackets the numeral "(1)."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The SECRETARY. On page 77, line 19, after the word "title," it is proposed to insert the words "or by section 504." There are already inserted at that place the following words:

And every personal-service corporation.

The amendment was agreed to.

Mr. SIMMONS. Mr. President, there is an amendment already adopted on page 77, line 19, and this comes before that amendment.

The SECRETARY. Then it is proposed to insert, before the amendment already agreed to, after the word "title," on page 77, line 19, the words "or by section 504."

The amendment was agreed to.

The SECRETARY. On page 88, line 8, after the word "companies," it is proposed to insert a comma and the words "mutual insurance companies and insurance companies taxable under section 504."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The SECRETARY. On page 208, lines 8 and 9, strike out the words "other than a life insurance company."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The SECRETARY. On page 208, lines 21 and 22, it is proposed to strike out the words "other than a life insurance company."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The SECRETARY. On page 209, line 12, after the numerals "231," at the end of the line, it is proposed to insert a comma and the following: "nor to any life insurance company, mutual insurance company or insurance company taxable under section 504."

The amendment was agreed to.

The SECRETARY. On page 234, line 21, after the word "all," it is proposed to insert the words "mortgage guarantee policies and policies guaranteeing titles to real estate, and on all."

The amendment was agreed to.

The SECRETARY. On page 234, line 24, it is proposed to strike out the words "subdivision (b) of," and after "503" to insert "or 504."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. SIMMONS. Mr. President, on page 87, line 24, I offer the amendment which I send to the desk.

The SECRETARY. On page 87, line 24, it is proposed to strike out the period and insert in lieu thereof a colon and the following:

*Provided*, That the tax upon such second part shall in no case be less than 20 per cent thereof, unless the tax upon the entire net income, if computed without benefit of this section, would constitute less than 20 per cent of such entire net income, in which event the tax shall be determined upon the entire net income, without reference to this section, as other taxes are determined under this title.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. SIMMONS. I offer the following amendment, to come in on page 94, line 13.

The SECRETARY. On page 94, line 13, in the amendment already agreed to, strike out all after the word "assets" and the comma, and insert in lieu thereof: "valued in accordance with the provisions of subdivision (a) of section 326, section 330, and section 331."

The PRESIDING OFFICER. Without objection the vote by which the amendment was agreed to will be reconsidered, and the question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. SIMMONS. On page 94, line 22, after the word "capital," I move to insert "for any year."

The amendment was agreed to.

Mr. SIMMONS. On page 95, line 12, I move to strike out the word "taxable" before the word "year."

The amendment was agreed to.

Mr. SIMMONS. On page 98, after line 4, I move to add as a new paragraph the following:

The average invested capital for the prewar period shall be determined by dividing the number of years within that period during the whole of which the corporation was in existence into the sum of the average invested capital for such years.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. SIMMONS. On page 191, line 2, after the comma and following the word "organizations" where it first occurs in that line, I move to insert the words "Society for the Prevention of Cruelty to Children or Animals."

The amendment was agreed to.

Mr. SIMMONS. I yield to the Senator from Louisiana [Mr. RANSDELL].

Mr. LA FOLLETTE. Will the Senator from Louisiana yield to me to offer an amendment?

Mr. RANSDELL. Yes, sir.

Mr. LA FOLLETTE. I offer an amendment in the nature of a substitute for the pending bill, which I ask to have printed.

The PRESIDING OFFICER. Without objection, the amendment will be printed.

Mr. LA FOLLETTE. In connection with the amendment in the nature of a substitute which I have just presented, I submit a table which I have had prepared, being a comparison of the income-tax rates and the amount of income taxes upon specified individual incomes under the existing law, the Senate bill, and the proposed substitute for the bill.

Also, I submit a table showing the surtaxes upon individual incomes at the steps provided in the substitute and an estimate of the revenue it would raise, compared with the estimated revenue from individual incomes under the rates of the bill reported from the committee. I ask that the tables be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

*Comparison of income taxes upon specified incomes under the existing law, the Senate bill, and the proposed substitute bill.*

Income.	Existing law.		Senate bill.		Substitute bill.	
	Amount.	Rate.	Amount.	Rate.	Amount.	Rate.
		<i>Per cent.</i>		<i>Per cent.</i>		<i>Per cent.</i>
\$2,500.....	\$10	0.40	\$33	1.23	\$19	0.40
\$3,000.....	20	.67	60	2.00	20	.67
\$3,500.....	30	.86	93	2.57	30	.86
\$4,000.....	40	1.00	120	3.00	40	1.00
\$4,500.....	60	1.33	120	3.33	50	1.11
\$5,000.....	80	1.60	150	3.60	60	1.20
\$5,500.....	105	1.91	215	3.91	95	1.73
\$6,000.....	130	2.16	250	4.16	130	2.17
\$6,500.....	155	2.38	320	4.92	165	2.54
\$7,000.....	180	2.57	390	5.57	200	2.86
\$7,500.....	205	2.73	460	6.13	235	3.13
\$8,000.....	235	2.93	530	6.63	285	3.55
\$8,500.....	265	3.12	605	7.12	335	3.94
\$9,000.....	295	3.28	680	7.71	385	4.28
\$9,500.....	325	3.42	755	7.95	435	4.55
\$10,000.....	355	3.55	830	8.30	485	4.85
\$12,500.....	530	4.24	1,235	9.88	860	6.88
\$15,000.....	730	4.87	1,670	11.13	1,235	8.23
\$20,000.....	1,880	5.90	2,630	13.15	2,335	11.67
\$25,000.....	1,730	7.12	3,720	14.80	3,935	15.74
\$30,000.....	2,330	7.93	4,930	16.43	6,235	20.95
\$35,000.....	2,980	8.51	6,270	17.91	8,635	24.67
\$40,000.....	3,580	8.95	7,730	19.33	10,935	27.44
\$45,000.....	4,330	9.72	9,320	20.71	13,335	29.61
\$50,000.....	5,180	10.35	11,030	22.06	15,685	31.37
\$55,000.....	6,780	11.30	14,830	24.71	21,585	35.97
\$60,000.....	8,880	12.69	19,130	27.33	27,485	39.24
\$65,000.....	10,930	13.72	23,930	29.81	34,035	42.54
\$70,000.....	16,180	16.15	35,030	35.03	48,435	48.44
\$75,000.....	31,680	21.12	37,030	44.69	86,935	57.94
\$80,000.....	49,180	24.59	101,030	59.52	125,435	62.72
\$85,000.....	92,680	30.89	173,030	57.68	203,435	67.81
\$90,000.....	192,680	38.54	323,030	64.69	361,435	72.29
\$1,000,000.....	475,180	47.52	703,030	70.30	761,435	76.14
\$5,000,000.....	3,146,180	62.83	2,783,030	75.66	3,931,435	79.23

*Surax rates and estimated revenue under the substitute bill.*

Net income.	Taxable income.	Surtax rate.	Revenue.
		<i>Per cent.</i>	
\$5,000 to \$7,500.....	\$375,000,000	5	\$33,750,000
\$7,500 to \$10,000.....	340,000,000	8	27,200,000
\$10,000 to \$15,000.....	474,000,000	13	61,620,000
\$15,000 to \$20,000.....	315,000,000	20	63,000,000
\$20,000 to \$25,000.....	225,000,000	30	67,500,000
\$25,000 to \$50,000.....	615,000,000	45	276,750,000
\$50,000 to \$75,000.....	240,000,000	57	136,800,000
\$75,000 to \$100,000.....	220,000,000	70	154,000,000
\$100,000 to \$200,000.....	394,000,000	75	295,500,000
\$200,000 to \$300,000.....	185,000,000	76	140,600,000
\$300,000 to \$500,000.....	163,000,000	77	125,510,000
Over \$500,000.....	423,000,000	78	332,280,000
Total.....	7,400,000,000		1,714,510,000
Normaltax.....		2	70,000,000
Estimated return under Senate bill.....			1,784,510,000
Increase over Senate bill.....			1,432,000,000
			352,510,000

#### MERCHANT MARINE.

Mr. RANSDELL. Mr. President, I have been very much interested in the subject of ships and shipping and our American merchant marine. After conferring with several friends I decided to call a conference in this city of patriotic Americans who feel an interest in this subject. I have prepared this invitation, which I would like to read to the Senate, dated yesterday, and addressed to patriotic Americans interested in ships and shipping. It will take but a minute to read it.

WASHINGTON, D. C., December 18, 1918.

*To all patriotic Americans interested in ships and shipping:*

In my capacity as a Senator from Louisiana, a State vitally interested in our merchant marine, and as a member of the Commerce Committee of the United States Senate I invite to a conference in the auditorium of the Smithsonian Institution at the Nation's Capital, January 22 and 23, 1919, representatives of every class of patriotic Americans who wish to see our shipping restored to the proud place it held 80 years ago, when 90 per cent of American commerce was carried in American ships and the Stars and Stripes floated over rich argosies of trade in every sea.

For three-quarters of a century we have had no ship policy worthy of the name. Since the world war began marked progress in legislation has been made and excellent and important work done by the United States Shipping Board and the Emergency Fleet Corporation. It is essential to our welfare that this work be continued and expanded; that we build and operate ships of commerce on a scale commensurate with our greatness and the national security; and that a secretary of marine be created.



There is much wisdom in unity of counsel. Exchange of views between many wise men, representing all interests in America, gathered together in this center of the Nation's thought should result in outlining a ship policy and in supporting it by healthy public opinion under the guidance of a great voluntary patriotic association to be formed by the conference, if deemed best.

I respectfully urge each and every citizen who has real ideas on this vital subject to attend the meeting and present his suggestions. Those who expect to be present will please advise me as promptly as possible.

JOSEPH E. RANDELL.

Mr. President, I do not intend to take the time of the Senate to discuss this subject now. At a later date I hope to do so rather fully.

#### CHANGE OF NAME OF STEAMER.

Mr. HARDING. I ask permission to submit a report from the Committee on Commerce. From the Committee on Commerce I report back favorably, without amendment, the bill (S. 5102) to authorize the change of name of the steamer *Charlotte Graveraet Breitung* to *T. K. Maher*, and I submit a report (No. 626) thereon. I ask unanimous consent for its present consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.,* That the Commissioner of Navigation is hereby authorized and directed, upon application of the owner, the Morrow Steamship Co., of Mentor, Lake County, Ohio, to change the name of the steamer *Charlotte Graveraet Breitung*, official No. 27865, to the *T. K. Maher*.

The bill was reported to the Senate without amendment, ordered to be engrossed for the third reading, read the third time, and passed.

#### LEAGUE OF NATIONS FOR PEACE.

Mr. LODGE. Mr. President, I wish to give notice that on Saturday next, immediately after the morning business, if we have any morning business on that day, I shall address the Senate on the question of peace and the proposed league of nations. If we do not have routine morning business on Saturday, I fear I may be compelled to connect the speech with the revenue bill now pending.

#### AFFAIRS IN RUSSIA.

Mr. TOWNSEND. Mr. President, a day or two ago the junior Senator from California [Mr. JOHNSON] submitted to the Senate some remarks relative to the situation in Russia so far as the United States is concerned.

I have received many letters concerning our men in the American Army who are in Russia. I have called the attention of the Secretary of War to some of these conditions; but for the purpose of giving a little more publicity to the situation, I send to the desk a letter which I have received to-day on this subject, and I ask to have it read.

The PRESIDING OFFICER (Mr. McLEAN in the chair). Without objection, the Secretary will read the letter.

The Secretary read as follows:

DETROIT, MICH., December 17, 1918.

Senator CHARLES E. TOWNSEND,  
Washington, D. C.

DEAR SIR: I have been requested to write to you by Mrs. Charles A. Hawley, a widow, of 734 East Lawn Avenue, Detroit, Mich., regarding her son, Sergt. Harold Culver, Company A, Three hundred and thirty-ninth Infantry, American Expeditionary Force, northern Russia. She has written to him numerous times, but has never received a letter from him since he went overseas, and notwithstanding repeated efforts in various directions has been unable to learn anything about him.

She would indeed appreciate anything you can do to acquaint her with his present whereabouts and condition, if alive, or to confirm her belief that he has been killed or has died of disease.

In connection with this, although perhaps boring you with details that you have no doubt heard in many forms heretofore, I would also like to register a complaint regarding treatment of the American Expeditionary Force in northern Russia.

I have a personal acquaintance with at least a dozen families in Detroit who have boys in this force and know of a number of others with whom I have not a personal acquaintance, every one of which has, I believe, a just complaint. In the first place, this force sailed for England on July 22 and arrived there on August 4. Left England for Russia on the 25th and arrived in Archangel September 10 to 12. The first mail that this force received after leaving Camp Mills was delivered to them on October 6, which, to put it very mildly, is some delay in service, and especially so when every man no doubt was longing and wishing for letters from home. I sent two cablegrams to my son, Corpl. Howard A. Stafford, Three hundred and thirty-ninth Infantry, Machine Gun Company, American Expeditionary Forces, while he was still in England. These cablegrams did not reach him until October 6, and then by mail. Postal money orders mailed to him were two months and a few days in reaching him, and we were not allowed to send anything to him that would add to his comfort and pleasure until October 21, and not since then. Right here I would ask if it is not possible now to send small packages containing things of which he is fond and which he is unable to get in northern Russia?

I have written at least two letters to the War Department asking what bearing the armistice will have in the home-coming of this northern Russian force. Also inquired if it is possible to get them out of Archangel or that vicinity during the winter, back to civilization, but have received no direct answer, the only answer of any consequence being to the effect that the peace conference in Paris would determine the future policy in Russia, but whereas we know that four months after

peace treaty is signed their term of service automatically discontinues. This date of possible release is so indefinite that I would like to have it substituted by something more definite.

In connection with this, I would like to ask if the purpose of the American Expeditionary Force in northern Russia has been changed since the signing of the armistice, as I believe that the force has accomplished the object for which it was originally sent to Russia, namely, the protection of the port of Archangel from German invasion. I have before me a letter received by an officer in that north Russian American Expeditionary Force, who says that they have accomplished everything for which they originally went to Russia to accomplish.

In view of this and the unnecessary hardships those men are suffering at the present time at the front, after accomplishing their object, namely, living in small box cars, as many as 15 to a car, which car also must contain their equipment of every kind, stove, wood, ammunition, etc., and I understand that some of the organization has been at the front for two months or more, and there they are obliged to live in old log houses, or, if there are no log houses in the vicinity, they live outdoors, which in Russia at this time of year, you must admit, will probably bring them back to us, if at all, in bad condition.

I do not pretend to attempt to dictate what the Government is doing with their military forces. This handful of men in Russia, in so far as I can see, can not accomplish anything of value, and they seem to have been forgotten, and the Government evidently has no stated policy or reason for keeping them in that territory, and if you and others could but add your protest to that of Senator JOHNSON of California it might be possible to get these forsaken fellows out of that God-forsaken country. The feeling in Detroit against maintaining them longer in Russia is crystallizing and gaining in strength, as witnessed by very numerous letters of protest appearing daily in all Detroit papers, and I would ask that you use your large influence in protest against what I believe is unnecessary suffering and get this American force out of Russia as soon as possible, leaving this police duty—for it can be no more than that with so small a force—to the people to whom this work rightfully belongs, namely, European forces.

Understand, the writer is calling your attention to these things, which are creating a great deal of dissatisfaction everywhere, especially in Detroit, the home of 80 per cent of this American Expeditionary North Russian Force, knowing full well that the welfare of these Michigan boys is close to your heart and that when the extent of the feeling against maintaining this American force in Russia is brought home to you that you will thoroughly investigate the truth of what I have said and you will use your best endeavor to rectify the Government's failure to handle the situation in Russia correctly as regards the Three hundred and thirty-ninth Infantry.

With sincere thanks for what you may be able to accomplish, I am,  
Yours, very truly,

D. P. STAFFORD.

#### MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its Enrolling Clerk, announced that the House had passed the bill (S. 4924) to amend section 336 of the Revised Statutes of the United States relating to the annual report on the statistics of commerce and navigation of the United States with foreign countries.

The message also announced that the House agrees to the amendment of the Senate to the bill (H. R. 11709) granting the consent of Congress to the village and township of Halstad, Norman County, Minn., and the township of Herberg, Traill County, N. Dak., to construct a bridge across the Red River of the North on the boundary line between said States.

The message further announced that the House had passed a bill (H. R. 12001) to amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H. R. 13308) making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1920, and for other purposes, in which it requested the concurrence of the Senate.

#### HOUSE BILLS REFERRED.

H. R. 12001. An act to amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, was read twice by its title and referred to the Committee on the Judiciary.

H. R. 13308. An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1920, and for other purposes, was read twice by its title and referred to the Committee on Post Offices and Post Roads.

#### THE REVENUE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 12863) to provide revenue, and for other purposes.

Mr. SMOOT. Mr. President, it is so late in the evening that I shall not now offer an amendment respecting the income of estates, but I shall move to perfect that section of the bill the first thing in the morning.

#### EXECUTIVE SESSION.

Mr. SIMMONS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

## COMMERCE WITH GUATEMALA.

On motion of Mr. HITCHCOCK, the following convention between the United States and Guatemala, signed December 3, 1918, was ratified and the injunction of secrecy removed therefrom:

*The Senate:*

I transmit herewith, to receive the advice and consent of the Senate to its ratification, a convention between the United States and Guatemala, signed December 3, 1918, for the development of commerce between them and to increase the exchange of commodities by facilitating the work of traveling salesmen.

Respectfully submitted.

WOODROW WILSON.

THE WHITE HOUSE,  
Washington, December 3, 1918.

*The President:*

The undersigned, the Secretary of State, has the honor to lay before the President with a view to its transmission to the Senate, if his judgment approve thereof, to receive the advice and consent of the Senate to its ratification, a convention between the United States and Guatemala, signed December 3, 1918, for the development of commerce between them and to increase the exchange of commodities by facilitating the work of traveling salesmen.

Respectfully submitted.

ROBERT LANSING.

DEPARTMENT OF STATE,  
Washington, December 3, 1918.

The United States of America and the Republic of Guatemala, being desirous to foster the development of commerce between them and to increase the exchange of commodities by facilitating the work of traveling salesmen, have agreed to conclude a convention for that purpose and have to that end appointed as their plenipotentiaries: The President of the United States of America; Robert Lansing, Secretary of State of the United States; and the President of the Republic of Guatemala, Señor Don Joaquín Méndez, his envoy extraordinary and minister plenipotentiary to the United States, who, having communicated to each other their full powers, which were found to be in due form, have agreed upon the following articles:

## ARTICLE I.

Manufacturers, merchants, and traders domiciled within the jurisdiction of one of the high contracting parties may operate as commercial travelers either personally or by means of agents or employees within the jurisdiction of the other high contracting party on obtaining from the latter, upon payment of a single fee, a license which shall be valid throughout its entire territorial jurisdiction.

In case either of the high contracting parties shall be engaged in war, it reserves to itself the right to prevent from operating within its jurisdiction under the provisions of this treaty, or otherwise, enemy nationals or other aliens whose presence it may consider prejudicial to public order and national safety.

## ARTICLE II.

In order to secure the license above mentioned the applicant must obtain from the country of domicile of the manufacturers, merchants, and traders represented a certificate attesting his character as a commercial traveler. This certificate, which shall be issued by the authority to be designated in each country for the purpose, shall be viséed by the consul of the country in which the applicant proposes to operate, and the authorities of the latter shall, upon the presentation of such certificate, issue to the applicant the national license as provided in Article I.

## ARTICLE III.

A commercial traveler may sell his samples without obtaining a special license as an importer.

## ARTICLE IV.

Samples without commercial value shall be admitted to entry free of duty.

Samples marked, stamped, or defaced in such manner that they can not be put to other uses shall be considered as objects without commercial value.

## ARTICLE V.

Samples having commercial value shall be provisionally admitted upon giving bond for the payment of lawful duties if they shall not have been withdrawn from the country within a period of six months.

Duties shall be paid on such portion of the samples as shall not have been so withdrawn.

## ARTICLE VI.

All customs formalities shall be simplified as much as possible with a view to avoid delay in the dispatch of samples.

## ARTICLE VII.

Peddlers and other salesmen who vend directly to the consumer, even though they have not an established place of business in the country in which they operate, shall not be considered as commercial travelers, but shall be subject to the license fees levied on business of the kind which they carry on.

## ARTICLE VIII.

No license shall be required of—

(a) Persons traveling only to study trade and its needs, even though they initiate commercial relations, provided they do not make sales of merchandise.

(b) Persons operating through local agencies which pay the license fee or other imposts to which their business is subject.

(c) Travelers who are exclusively buyers.

## ARTICLE IX.

Any concessions affecting any of the provisions of the present treaty that may hereafter be granted by either high contracting party, either by law or by treaty or convention, shall immediately be extended to the other party.

## ARTICLE X.

This convention shall be ratified, and the ratifications shall be exchanged at Washington or Guatemala within two years, or sooner if possible.

The present convention shall remain in force until the end of six months after either of the high contracting parties shall have given notice to the other of its intention to terminate the same, each of them reserving to itself the right of giving such notice to the other at any time. And it is hereby agreed between the parties that, on the expiration of six months after such notice shall have been received by either of them from the other party as above mentioned, this convention shall altogether cease and terminate.

In testimony whereof the respective plenipotentiaries have signed these articles and have thereunder affixed their seals.

Done in duplicate, at Washington, this 3d day of December, 1918.

## RECESS.

Mr. SIMMONS. I move that the Senate take a recess until to-morrow at 12 o'clock noon.

The motion was agreed to; and (at 5 o'clock and 15 minutes p. m.) the Senate took a recess until to-morrow, Friday, December 20, 1918, at 12 o'clock meridian.

## NOMINATIONS.

*Executive nomination received by the Senate December 19 (legislative day of December 15), 1918.*

## INTERSTATE COMMERCE COMMISSION.

Joseph B. Eastman, of Massachusetts, to be a member of the Interstate Commerce Commission for a term expiring December 31, 1922, vice George W. Anderson, resigned.

## CONFIRMATIONS.

*Executive nominations confirmed by the Senate December 19 (legislative day of December 15), 1918.*

## ASSISTANT CHIEF INSPECTOR OF LOCOMOTIVE BOILERS.

John A. Shirley to be assistant chief inspector of locomotive boilers.

## APPOINTMENT IN THE NAVY.

Victor Blue to be Chief of the Bureau of Navigation in the Department of the Navy, with the rank of rear admiral.

## HOUSE OF REPRESENTATIVES.

THURSDAY, December 19, 1918.

The House met at 12 o'clock noon.

The Rev. Earle Willey, of the Vermont Avenue Christian Church, Washington, D. C., offered the following prayer:

Almighty God, Thou who art the giver of every good and perfect gift, from whom we take our being and to whom we must at last give account of ourselves, we pray that Thy holy word may have lodgment in our hearts to-day and Thy holy spirit attend us along the journey of life. Be with the deliberations of this day in the House, keep Thy servants in perfect peace, in clearness of mind, in strength of heart and purpose, and to Thy name shall be all the praise, through Jesus Christ, our Lord, Amen.

The Journal of the proceedings of yesterday was read and approved.



## CONTESTED-ELECTION CASE—WICKERSHAM AGAINST SULZER.

Mr. WILSON of Louisiana. Mr. Speaker, I desire to give notice that the contested-election case of Wickersham against Sulzer will be taken up in the House on the 3d day of January.

Mr. STAFFORD. The gentleman from Louisiana will notice that the 3d of January is Friday of the week in which New Year's occurs.

Mr. WILSON of Louisiana. Yes.

Mr. STAFFORD. And a great number of the Members will not be here.

Mr. FOSTER. They ought to be here.

Mr. STAFFORD. Yes; but many Members have not their families here with them, and they have gone home to spend the holidays with their families.

Mr. WILSON of Louisiana. I imagine that there will be a quorum here on that day.

Mr. STAFFORD. I think it would be more convenient for the membership of the House if we took it up on the Monday following.

## MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed without amendment bills of the following titles:

H. R. 12945. An act providing for the purchase of uniforms, accouterments, and equipment by officers of the Navy, Marine Corps, and Coast Guard, and midshipmen at the Naval Academy from the Government at cost; and

H. R. 12916. An act to provide for the temporary promotion of commissioned officers of the Marine Corps serving with the Army.

The message also announced that the Senate had passed the following resolution:

*Resolved*, That the Secretary be directed to return to the House of Representatives, in compliance with its request, the bill (H. R. 12001) entitled "An act to amend an act entitled 'An act to codify, revise, and amend the laws relating to the judiciary,'" approved March 3, 1911.

## SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee as indicated below:

S. 988. An act providing for the payment of certain interest on items 1 and 4 of the judgment of the Court of Claims of May 18, 1905, in favor of the Cherokee Nation; to the Committee on Indian Affairs.

## RESOLUTION BY NATIONAL ASSEMBLY OF PANAMA (H. DOC. NO. 1607).

The SPEAKER laid before the House a communication from the Acting Secretary of State, as follows, which was ordered to be printed, with accompanying documents, and referred to the Committee on Foreign Affairs:

DEPARTMENT OF STATE,  
Washington, December 17, 1918.

Hon. CHAMP CLARK,  
Speaker of the House of Representatives.

SIR: I have the honor to inclose for the information of the House of Representatives a copy of a dispatch from the American minister at Panama, communicating a copy of the resolution adopted by the National Assembly of Panama on November 11 last felicitating the Government of the United States and the Governments of the allies on the signature of the armistice on November 11, 1918.

I have the honor to be, sir,  
Your obedient servant,

FRANK L. POLK,  
Acting Secretary of State.

## AMENDING THE LAW RELATING TO STATISTICS OF COMMERCE AND NAVIGATION.

Mr. SIMS. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 4924) to substitute the calendar year for the fiscal year for statistical reports from the Bureau of Foreign and Domestic Commerce in the Department of Commerce. The bill has passed the Senate, and if passed now the department can put the new year in force on the 1st day of January. The committee has had a hearing and feels satisfied that it is legislation that ought to be enacted.

The SPEAKER. The gentleman from Tennessee asks unanimous consent for the present consideration of the bill S. 4924, which the Clerk will report.

The Clerk read as follows:

An act (S. 4924) to amend section 336 of the Revised Statutes of the United States relating to the annual report on the statistics of commerce and navigation of the United States with foreign countries.

*Be it enacted, etc.*, That section 336 of the Revised Statutes of the United States be, and the same is hereby, amended by striking out the word "fiscal" immediately preceding the word "year" at the end of the first sentence of said section and by inserting in lieu thereof the word "calendar."

Mr. STAFFORD. Mr. Speaker, the bill does not give us very much information, and I think the gentleman from Tennessee should give us some statement as to the real purpose of the bill.

Mr. SIMS. The report is very short, although we had a full hearing in the committee.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that before the objection is waived that the report be read.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the report (by Mr. SIMS), as follows:

The Committee on Interstate and Foreign Commerce, to whom was referred the bill (S. 4924) to amend section 336 of the Revised Statutes of the United States relating to the annual report on the statistics of commerce and navigation of the United States with foreign countries, having considered the same, report thereon with a recommendation that it pass.

The following is the report of the Senate Committee on Commerce on this bill:

"The Committee on Commerce, to whom was referred the bill (S. 4924) to amend section 336 of the Revised Statutes of the United States relating to the annual report on the statistics of commerce and navigation of the United States with foreign countries, having considered the same, report favorably thereon with the recommendation that the bill do pass. The bill has been referred to the Secretary of Commerce, and his report thereon (together with communications from the chairman of the United States Shipping Board and the War Industries Board with reference to H. R. 11848, on the same subject) is as follows:

DEPARTMENT OF COMMERCE,  
OFFICE OF THE SECRETARY,  
Washington, September 19, 1918.

"MY DEAR SENATOR: In response to your communication of September 14, requesting for your committee suggestions touching the merits of S. 4924 and the propriety of its passage, I take pleasure in advising you as follows:

"From time to time it has been proposed that the annual official report on the statistics of foreign trade of the United States which, as provided in paragraph 1 of section 336 of the Revised Statutes, is now required to be issued to the close of the fiscal year ending June 30, be changed to cover the period to the close of the calendar year.

"At the time when this law was passed these statistics were compiled and published principally for the information and guidance of the Government particularly as a guide for legislation. In later years the use of foreign-trade statistics by industrial and commercial organizations has been rapidly increasing, and as their business year is more largely than any other the calendar year they find it inconvenient not to be able to procure official statistics of our foreign trade of calendar years.

"The chief value of trade statistics lies in their comparability with statistics of production and with trade statistics of other countries. Practically all the statistics of production, both agricultural and industrial, that are compiled and published by the executive departments of this Government, as well as of other governments, relate to the calendar year, as, for instance, the statistics of manufacture, etc., compiled by the Bureau of the Census of this department, the statistics of mineral production compiled by the Geological Survey, and the statistics of agricultural production and estimates compiled and published by the Department of Agriculture. The United States is the only important country in the world which publishes its foreign-trade statistics for the fiscal year rather than for the calendar year, the only other countries being Mexico, Turkey, Persia, Honduras, and Haiti, and the following British colonial possessions: Canada, Australia, and India.

"The change proposed in the pending bills has been recommended by a special statistical committee appointed by the Department of the Treasury and the Department of Commerce as well as by a special statistical committee of the Chamber of Commerce of the United States. Moreover, at the present time the Shipping Board, the War Trade Board, and the War Industries Board, which boards are making very valuable use of our statistics in connection with the Government's control of trade and industry, and particularly the Shipping Board in its efforts to conserve tonnage for military use, are all very anxious to have these statistics issued for the calendar instead of for the fiscal year. For this reason the proposed legislation may be looked upon as a war-time measure, the speedy enactment of which will be of considerable assistance in the fulfillment of our military program.

"I am taking the liberty of sending with this letter a copy of the latest issue of Commerce and Navigation of the United States, being the report authorized by section 336 of the Revised Statutes and which it is now desired to have relate to the calendar rather than the fiscal year. Should you desire additional copies of this report for any or all of the members of your committee, they will be gladly furnished on request.

Very truly, yours,

WILLIAM C. REDFIELD,  
Secretary.

Hon. DUNCAN U. FLETCHER,  
United States Senate, Washington, D. C.

UNITED STATES SHIPPING BOARD,  
Washington, September 19, 1918.

Hon. DUNCAN U. FLETCHER,  
Chairman Senate Committee on Commerce,  
United States Senate, Washington, D. C.

"MY DEAR SENATOR FLETCHER: My attention has been called to a bill now pending in the House (H. R. 11848) providing for the compilation of foreign-trade statistics, published by the Bureau of Foreign and Domestic Commerce of the Department of Commerce, by the calendar year rather than the fiscal year.

"Inasmuch as statistics are valuable to the extent that they may be used in reference to future action, and inasmuch as such value is greatly enhanced if statistics are readily comparable with other statistics of a like nature, it seems to me highly desirable that the foreign-trade statistics of the Department of Commerce should be brought in line with the statistics gathered by the Bureau of the Census, Geological Survey, Bureau of Mines, and trade statistics of most of the foreign countries. All these statistics are published for the calendar year. I feel confident that this legislation will find ready acceptance in your committee, but write to you in view of my personal interest in foreign-trade matters.

With kindest regards, I am,  
Yours, very truly,

EDWARD N. HURLEY,  
Chairman.

"WAR INDUSTRIES BOARD,  
Washington, September 20, 1918.

"HON. DUNCAN U. FLETCHER,  
Chairman Senate Committee on Commerce.

"United States Senate, Washington, D. C.

"MR. DEAR SENATOR: The bill H. R. 11848 authorizing a change from the fiscal to the calendar year in the compilation of foreign-trade statistics in the annual report of the commerce and navigation of the United States, as published by the Department of Commerce, would, in my opinion, effect a valuable aid to American business and statistical organizations. Because of that I should like to see the proposed legislation enacted.

"Very respectfully,

"B. M. BARUCH."

The SPEAKER. Is there objection?

Mr. GREEN of Iowa. Mr. Speaker, reserving the right to object, I would like to make an inquiry of some gentleman to explain the bill, whether it be the gentleman from Tennessee or the gentleman from Wisconsin.

Mr. SIMS. I would be glad to have the gentleman from Wisconsin answer the question, as he is very familiar with the facts.

Mr. GREEN of Iowa. Does this pertain to the matter included in the monthly reports called the Reports of Commerce and Navigation, which are subsequently bound in the annual report?

Mr. ESCH. It covers that, although they get out an annual report.

Mr. GREEN of Iowa. Does this apply simply to the annual report? I ask for this reason: The committees that are making up the bills, especially the Ways and Means Committee, need the report that corresponds to the fiscal year, with reference to the amount of imports and exports, especially imports, in order that we may know how much tariff dues to lay for the fiscal year. We ought to have some report of the fiscal year. If we do not we will have to do a large amount of work ourselves to sift it out of the report for the calendar year.

Mr. ESCH. I understand from the officials of the Bureau of Foreign and Domestic Commerce that they would make out a report for six months, and also the annual report. They would make out some annual reports which would give the committee the information the gentleman seeks.

Mr. GREEN of Iowa. And we will still receive the monthly reports?

Mr. ESCH. Yes. The object is to harmonize the foreign statistics as to exports and imports with the statistics we are gathering in other fields. The agricultural statistics are for the calendar year, and the statistics of the Geological Survey as to minerals are annual. Up to 1916 the Interstate Commerce Commission gathered the statistics of railroads for the fiscal year, but in the latter part of 1915 they issued an order making these reports based on the calendar year. So that these three great statistical bureaus are all on the calendar-year basis. We are trying to put the foreign and domestic commerce statistics on the same basis, to correspond likewise with the statistics furnished by all the great commercial nations of the world, and it ought to be done at once, so that the department can begin on the 1st of January.

Mr. SIMS. Mr. Speaker, one further statement which the gentleman from Wisconsin did not refer to: It was testified before our committee that under the present plan of making reports business men and corporations were continually calling for reports with reference to foreign trade, and as these were made up at the end of the fiscal year there was some difficulty, requiring much more time to get up reports for the calendar year to comply with the special inquiries made. If this bill was passed it would save a great deal of work for the bureau that they now have to do in order to supply people with the statistical information that they request on the calendar-year basis.

Mr. NORTON. Mr. Speaker, will the gentleman yield for an inquiry?

Mr. SIMS. Yes.

Mr. NORTON. I note that the report urged as a reason for the passage of this legislation that it was a war measure.

Mr. SIMS. That was the statement before the Senate committee.

Mr. NORTON. And the argument for its passage was that it was a war measure. In what way does the chairman of the committee hold that this particular legislation is a war measure, needed to carry on the war?

Mr. SIMS. That statement was made by the Secretary to the Senate committee, in his letter to the Senate committee.

Mr. NORTON. I call attention to that for the reason that I think that statement is ridiculous. It seems to me this legislation is meritorious, from a business point of view. There is a real need for it, but it has nothing to do with the war.

Mr. SIMS. We are not asking for the bill on that account.

Mr. ESCH. Mr. Speaker, in reply to the gentleman's suggestion, that letter was written before the signing of the armis-

tice, and prior to that date the War Industries Board and the War Trade Board made numerous demands on the Bureau of Foreign and Domestic Commerce for statistics, and the information given was important to these two war boards. That is possibly why in that letter it was referred to as a quasi war-time measure.

The SPEAKER. Is there objection?

Mr. MANN. Mr. Speaker, reserving the right to object, I would like to make an inquiry. What has this to do with the war?

Mr. SIMS. The war now?

Mr. MANN. Yes.

Mr. SIMS. Nothing that I know of.

Mr. MANN. I notice that the principal reason why the Secretary of Commerce asks for the enactment of this legislation is contained in this sentence:

For this reason the proposed legislation may be looked upon as a war-time measure, the speedy enactment of which will be of considerable assistance in the fulfillment of our military program.

Is it not about time that the various departments of the Government asking for legislation by Congress should quit trying to impose upon Congress the idea that legislation in no wise connected with the war is desired to further the interests of the military program?

Mr. SIMS. There was nothing before our committee to that effect.

Mr. MANN. Oh, yes; this was before the committee, and it was just read from the Clerk's desk at the gentleman's request as a part of the report of the committee, and it was the only thing practically that the committee had before it.

Mr. SIMS. Oh, no. We had hearings, and officials from the Department of Commerce were there, and they did not even refer to the war.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The question is on the third reading of the Senate bill.

The bill was ordered to be read the third time and was read the third time and passed.

On motions of Mr. SIMS, a motion to reconsider the vote by which the bill was passed was laid on the table.

#### BRIDGE ACROSS THE RED RIVER OF THE NORTH.

Mr. STEENERSON. Mr. Speaker, I ask the Chair to lay before the House the bill (H. R. 11709) granting the consent of Congress to the village and township of Halstad, Norman County, Minn., and the township of Herbert, Traill County, N. Dak., to construct a bridge across the Red River of the North on the boundary line between said States. It is a House bill with Senate amendments.

The SPEAKER. The Chair lays before the House the bill H. R. 11709, a House bill with Senate amendments, which the Clerk will report.

The Clerk read the Senate amendments.

The SPEAKER. The question is on agreeing to the Senate amendments.

The Senate amendments were agreed to.

#### AMERICAN COMMITTEE FOR RELIEF IN THE NEAR EAST.

Mr. MONTAGUE. Mr. Speaker, I ask unanimous consent to discharge the Committee on the Judiciary from further consideration of the bill (S. 4785) to incorporate the American Committee for Relief in the Near East, and that the same be considered at this time.

Mr. MANN. Where is the Senate bill now?

Mr. MONTAGUE. It is before the Committee on the Judiciary. A similar House bill has been unanimously reported by the Committee on the District of Columbia.

The SPEAKER. The gentleman from Virginia asks unanimous consent that the Committee on the Judiciary be discharged from further consideration of Senate bill 4785, and that the same be taken up for consideration at this time. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the following persons, namely, James L. Barton, Samuel T. Dutton, Cleveland H. Dodge, Henry Morgenthau, Edwin M. Bulkeley, Alexander J. Hemphill, Charles R. Crane, William Howard Taft, Charles Evans Hughes, Ellhu Root, Harry Pratt Judson, Charles E. Beury, Arthur J. Brown, John B. Calvert, William I. Chamberlain, William T. Ellis, James Cardinal Gibbons, Jerome D. Greene, David H. Greer, Harold A. Hatch, William I. Haven, Myron T. Herrick, Hamilton Holt, Frank W. Jackson, Arthur Curtiss James, Frederick Lynch, Vance C. McCormick, Charles S. Macfarland, Henry B. F. Macfarland, William B. Miller, John R. Mott, Frank Mason North, George A. Plimpton, Philip Rhinelander, William Jay Schieffelin, George T. Scott, Albert Shaw, William Sloane, Edward Lincoln Smith, Robert Eliot Spear, James M. Speers, Oscar S. Straus, Charles V. Vickrey, Harry A. Wheeler, Stanley White, Ray Lyman Wilbur, Talcott Williams, and Stephen S. Wise, their associates and successors duly chosen, are hereby incorporated and declared to be a body corporate of the District of Columbia



by the name of the American Committee for Relief in the Near East and by that name shall be known and have perpetual succession, with the powers, limitations, and restrictions herein contained.

Sec. 2. That the object for which said corporation is incorporated shall be to provide relief and to assist in the repatriation, rehabilitation, and reestablishment of suffering and dependent people of the Near East and adjacent areas; to provide for the care of orphans and widows, and to conduct any industrial enterprises or operations of a philanthropic character which may, in the judgment of the corporation, be necessary to promote the social, economic, and industrial welfare of those who have been rendered destitute, or dependent directly or indirectly, by the vicissitudes of war, the cruelties of men, or other causes beyond their control.

Sec. 3. That the direction and management of the affairs of the corporation, and the control of its property and funds, shall be vested in a board of trustees, to be composed of the following individuals: James L. Barton, Samuel T. Dutton, Cleveland H. Dodge, Henry Morgenthau, Edwin M. Bulkeley, Alexander J. Hemphill, Charles R. Crane, William Howard Taft, Charles Evans Hughes, Elihu Root, Harry Pratt Judson, Charles E. Beury, Arthur J. Brown, John B. Calvert, William L. Chamberlain, William T. Ellis, James Cardinal Gibbons, Jerome D. Greene, David H. Greer, Harold A. Hatch, William I. Haven, Myron T. Herrick, Hamilton Holt, Frank W. Jackson, Arthur Curtiss James, Frederick Lynch, Vance C. McCormick, Charles S. Macfarland, Henry B. F. Macfarland, William B. Millar, John R. Mott, Frank Mason North, George A. Plimpton, Philip Rhinelander, William Jay Schieffelin, George T. Scott, Albert Shaw, William Sloane, Edward Lincoln Smith, Robert Eliot Speer, James M. Speers, Oscar S. Straus, Charles V. Vickrey, Harry A. Wheeler, Stanley White, Ray Lyman Wilbur, Talcott Williams, and Stephen S. Wise, who shall constitute the first board of trustees and constitute the members of the corporation. Vacancies occurring by death, resignation, or otherwise shall be filled by the remaining trustees in such manner as the by-laws shall prescribe, and the persons so elected shall thereupon become trustees and also members of the corporation.

Sec. 4. That the principal office of the corporation shall be located in the District of Columbia, but offices may be maintained and meetings of the corporation or of the trustees and committees may be held in other places, such as the by-laws may from time to time fix.

Sec. 5. That the said trustees shall be entitled to take, hold, and administer any securities, funds, or property which may be transferred to them for the purposes and objects hereinbefore enumerated by the existing and unincorporated American Committee for Armenian and Syrian Relief, and such other funds or property as may at any time be given, devised, or bequeathed to them, or to such corporation, for the purposes of the trust; with full power from time to time to adopt a common seal, to appoint officers, whether members of the board of trustees or otherwise, and such employees as may be deemed necessary for carrying on the business of the corporation, and at such salaries or with such remuneration as they may think proper; and full power to adopt by-laws and such rules or regulations as may be necessary to secure the safe and convenient transaction of the business of the corporation.

Sec. 6. That as soon as may be possible after the passage of this act a meeting of the trustees hereinbefore named shall be called by Samuel T. Dutton, Cleveland H. Dodge, Henry Morgenthau, Edwin M. Bulkeley, Alexander J. Hemphill, William R. Millar, George T. Scott, James L. Barton, and Charles V. Vickrey, or any six of them, at the Borough of Manhattan, in the city of New York, by notice served in person or by mail, addressed to each trustee at his place of residence; and the said trustees named herein, or a majority thereof, being assembled, shall organize and proceed to adopt by-laws, to elect officers, and generally to organize the said corporation.

Sec. 7. That Congress reserves the right to alter, amend, or repeal this act.

The SPEAKER. Is there objection?

Mr. GARRETT of Tennessee. Mr. Speaker, reserving the right to object, I hope the gentleman from Virginia will make some explanation of the bill.

Mr. MONTAGUE. Mr. Speaker, I should be very glad to make an explanation, if it is desired. I do not want to consume the time of the House, for I know this day has been set apart for the consideration of bills on the Private Calendar. If this charity is to be effective, however, the bill must be very speedily passed. Ten days at least must elapse before the bill can become operative after its passage.

Mr. GARRETT of Tennessee. This makes this a corporation of the District of Columbia, does it?

Mr. MONTAGUE. It makes it a national corporation, in my opinion.

Mr. TOWNER. It makes it a corporation of the District of Columbia by the terms of the bill.

Mr. MONTAGUE. Technically, it is a corporation with head offices in the District of Columbia.

Mr. TOWNER. Mr. Speaker, if the gentleman will permit, the important matter is that it should be incorporated by the Congress of the United States. It effects almost the consolidation of existing societies, because of the importunate nature of the relief work. About 4,000,000 of these Syrians and Armenians have been driven from their homes and are refugees only, without clothes and without food, dying every day.

The importunate nature of this is to gather together and unify this relief work. This organization of men embraces leading men who have been interested in this relief work, and is to unify it and place it under one control. That, of course, is the object of the bill. It passed the Senate unanimously the other day, and it has been favorably reported by the committee here.

Mr. GARRETT of Tennessee. Now, there is some language in section 2—

Mr. MONTAGUE. I would say to the gentleman, supplementing what the gentleman from Iowa has said, that the temper and mind of the peoples in the Near East with whom this fund will

have to be distributed is such that unless you have some governmental impress upon the organization itself its object can not be effectively secured. It is proposed to raise a very large sum by voluntary contributions, to be administered by this corporation for the relief of the distressed people of Armenia, of Syria, and the other sections of the country formerly under the Ottoman domination. I may say that perhaps no distress and suffering ever equaled the distress and suffering that this bill attempts to meet, and the immediate necessity alone justifies me in asking its present consideration by the House.

Mr. GARRETT of Tennessee. I desire to call my friend's attention to the language in section 2, in which there is enumerated the object or objects, "and to conduct any industrial enterprises," that is in lines 18 and 19.

Mr. MONTAGUE. If the gentleman will read the residue of the sentence, he will see it says, "and to conduct any industrial enterprises or operations of a philanthropic character." That is, the operations of the industrial enterprise must be of a philanthropic character. There may be technical and mechanical training schools, for example.

Mr. GARRETT of Tennessee. The gentleman says there may be technical schools there. May I ask where?

Mr. MONTAGUE. In Armenia or Syria, Asia Minor.

Mr. GARRETT of Tennessee. It is not expected they will operate in this country?

Mr. MONTAGUE. Not at all. The entire administration of this philanthropy is to be in what is generally called the Near East; that is, in Syria, Asia Minor, and contiguous country.

Mr. GARRETT of Tennessee. Now, may I ask my friend from Virginia just why it is necessary to have a special act? Why can not this be incorporated under the general laws of the District of Columbia?

Mr. MONTAGUE. For the reason suggested by the gentleman from Iowa awhile ago; that is, unless the people in the Near East believe that the Federal Government in some way has given its impress to this philanthropic undertaking it will not meet with the success that is desired.

Mr. GARRETT of Tennessee. Mr. Speaker, may I ask the gentleman if this bill or a similar bill is now pending before the Committee on the Judiciary?

Mr. MONTAGUE. This bill was presented by me some months since, and the next day, upon looking at the calendar, I found the bill had been referred to the Committee on the District of Columbia. I thought it should have been referred to the Committee on the Judiciary, in my ignorance. The Committee on the District of Columbia, however, reported it out unanimously, so I was informed by Mr. JOHNSON of Kentucky, the chairman of the committee. In the past few days a similar bill has passed the Senate unanimously, being reported by the Judiciary Committee of the Senate. That bill came to this body and was referred to the Committee on the Judiciary. Therefore I made the request a few moments since for unanimous consent that the Committee on the Judiciary should be discharged from the further consideration of the Senate bill, and that that bill should be taken up and considered in lieu of the House bill heretofore reported by the Committee on the District of Columbia. That is the parliamentary status, as I understand it.

Mr. SLAYDEN. Will the gentleman yield for a question, just for a moment?

Mr. MONTAGUE. I will.

Mr. SLAYDEN. Is this money to be collected by this proposed organization to be handled in the same way as that of the Armenian Relief Committee, who heretofore handled contributions sent to them without overhead charges or expense for transmission, and so forth?

Mr. MONTAGUE. I am very glad the gentleman has asked that question, and I would like to have the attention of the gentleman from Tennessee and the other Members of the House, because it is an important inquiry. Millions of dollars have been solicited and much already sent to these suffering people and not one cent of overhead charge has been incurred in connection with the distribution or the administration of that fund, and the hope of the incorporators is to do the work without any overhead charge. It is a piece of clean charity from beginning to end. It is simply asked that the organization may have the imprimatur of the Government itself to facilitate its banking operations or its contact with the Governments of that country to give the organization a standing greater than a mere voluntary or a private organization could obtain.

Mr. LONDON. Will the gentleman yield?

Mr. MONTAGUE. I will.

Mr. LONDON. Does the expression "Near East" have a definite legal meaning?

Mr. MONTAGUE. I think not. I think it has a historic meaning which is better understood by the gentleman than by myself.

Mr. LONDON. Would it not be better to define it in the law?

Mr. MONTAGUE. It says the "Near East and adjacent areas" and specifically contemplates Syria and Armenia, does it not? I think that is ample geographically and governmentally. The trouble is if this bill is amended now it will have to go back to the Senate, and what we desire to do is to get immediate relief to these poor, starving people.

Mr. LONDON. Does the gentleman believe the slightest amendment would defeat the bill now?

Mr. MONTAGUE. I do not think it would defeat the bill, but it would delay the bill, because it would have to go back to the Senate.

Mr. LONDON. Of course, the expression "Near East" has a definite historical meaning and is used in historical works. The question is whether the courts will take judicial notice of the meaning of that expression.

Mr. MONTAGUE. Well, I do not know what the courts would hold. I will say to the gentleman that I think the term "Near East," if I am not mistaken, has, as the gentleman says, a definite historical meaning, and it was put in this bill by the suggestion of those who have given very largely to this charity, and I have no doubt they had quite a satisfactory idea of what is meant by the terms "Near East" and "adjacent areas."

Mr. EMERSON. Will the gentleman yield?

Mr. MONTAGUE. I will.

Mr. EMERSON. How were these names suggested?

Mr. MONTAGUE. These names were suggested originally by this very committee, or some gentleman of this committee, as I understand. It was a voluntary committee, and perhaps enlarged by these names contained in the bill.

Mr. EMERSON. All the interests have been consulted in connection with this?

Mr. MONTAGUE. I understand from my correspondence with the secretary that this bill is the unanimous wish of all of these incorporators—very eminent incorporators, as the gentleman will observe.

Mr. ALMON. Mr. Speaker, reserving the right to object, I will say to the gentleman from Virginia that this day was set aside especially for the Private Calendar, and with the understanding that he would let this bill go over if discussion arose and it was found that time would be required to pass it. I think if it requires discussion and time he ought to let it go over until the Private Calendar is disposed of.

Mr. MONTAGUE. I assure the gentleman that I am not desirous of discussion.

Mr. ALMON. With the understanding that you will let it go over if time is required—

The SPEAKER. Is there objection?

Mr. GARD. Reserving the right to object, Mr. Speaker, this bill, as I understand, was introduced by the gentleman from Virginia in the House on the 1st of July, 1918. It was referred, possibly inadvertently, to the Committee on the District of Columbia, the only connection which one can see being the fact that it is supposed to be incorporated in the District of Columbia. The real object of such a bill as this is to obtain what they call the "prestige" of having the United States of America back it as an incorporation. The bill has never had any action in the Committee on the Judiciary of the House of Representatives, notwithstanding that it is now there. The Senate bill is sought to be substituted, without consideration or amendment, and the Senate bill is now, so I am informed as to the parliamentary status, in the Committee on the Judiciary of the House of Representatives.

It seems to me there may be a number of things in this bill in the matter of the perfection of the details, as suggested in this debate, in the matter of seeing to whom this relief does go, in the matter of consideration of the great scope of section 2, which provides for the conduct of industrial enterprises and of operations of a philanthropic character, and proceedings necessary to promote the economic welfare, and such things of that kind—and I assuredly have no objection to the accomplishment of these very worthy objects—but I have an objection to the incorporation without consideration of bodies of men calling themselves different associations, seeking to become incorporated in the District of Columbia for a national purpose, and it certainly is most unwise to make an incorporation even of this admittedly excellent character unless it can be passed upon by the proper committee, unless certain amendments or suggestions can be considered after hearings, unless the membership of the House can be advised rightly, because it is not a

right thing to incorporate and to give the great benefit of national incorporation to any society unless we know the exact meaning of what is sought to be accomplished and see whether these meanings coincide with our power to afford national incorporation. It seems to me we ought not peremptorily set aside action and discharge a committee which has never had opportunity to give consideration to a bill and take up a Senate bill that we know little of. This proposed relief has been and can be afforded without this bill. And under the circumstances, therefore, Mr. Speaker, I am constrained to object until the proper committee has opportunity to consider it.

The SPEAKER. The gentleman objects, and the gentleman from Mississippi is recognized.

#### PRIVATE CALENDAR.

Mr. KITCHIN. Mr. Speaker, I believe it is understood that we call the bills as they appear on the Private Calendar.

Mr. MANN. You have to move to go into the Committee of the Whole.

Mr. KITCHIN. I was going to make a unanimous-consent request. I ask unanimous consent that all bills on the Private Calendar be considered in the House as in the Committee of the Whole.

Mr. MANN. Oh, no. I will say to the gentleman that that is wholly impracticable.

The SPEAKER. The gentleman from Illinois objects.

Mr. KITCHIN. I thought we could save time.

Mr. MANN. The bills are called only by unanimous consent.

The SPEAKER. The gentleman from Illinois objects.

#### EXTENSION OF REMARKS.

Mr. ALMON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD on the Post Office appropriation bill.

The SPEAKER. The gentleman from Alabama asks unanimous consent to revise and extend his remarks in the RECORD on the Post Office appropriation bill. Without objection, it is so ordered.

There was no objection.

#### PRIVATE CALENDAR.

Mr. KITCHIN. Then we will have to make a motion on each bill.

Mr. MANN. Oh, no.

The SPEAKER. The only motion to make is to go into the Committee of the Whole.

Mr. KITCHIN. I move, Mr. Speaker, that we go into the Committee of the Whole House on the state of the Union to consider bills on the Private Calendar.

The SPEAKER. The gentleman from South Carolina moves that the House resolve itself into the Committee of the Whole House on the state of the Union to consider bills on the Private Calendar.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of bills on the Private Calendar, with Mr. GARD in the chair.

The CHAIRMAN. The House is in the Committee of the Whole House on the state of the Union for the purpose of consideration of bills on the Private Calendar. The Clerk will report the first bill.

#### STEAMSHIP "CALDERA."

The first bill in order on the Private Calendar was the bill (H. R. 4988) to authorize the changing of the name of the steamship *Caldera*.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice and take its position at the foot of the calendar. The reason for my making that request, I believe, though I have not had time to confirm it, is that there is a Senate bill of identical character that was passed some months ago. Otherwise I would move to lay the bill on the table.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin that this bill be passed without prejudice and go to the foot of the calendar?

Mr. FOSTER. Mr. Chairman, why not let it take its place? It is not being objected to. Why not leave it where it is and pass it over temporarily?

Mr. STAFFORD. I have no objection to that, Mr. Chairman. If there is any member of the Committee on the Merchant Marine and Fisheries in the Chamber, I would be glad if he would give us information on this bill. I believe that a Senate bill of identical character was passed in the summer session. Mr. Chairman, I ask that the bill be passed over without prejudice.



The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin by unanimous consent that this bill be passed over without prejudice?

There was no objection.

The CHAIRMAN. The Clerk will report the next bill.

DAVID L. BRAINARD.

The next business in order on the Private Calendar was the bill (S. 979) for the promotion and retirement of Col. David L. Brainard, Quartermaster Corps, United States Army.

The title of the bill was read.

The CHAIRMAN. Is there objection to the consideration of this bill?

Mr. STAFFORD. Mr. Chairman, we are not considering bills under reservation of objection. We are considering all the bills on the Calendar in their order. This bill is on the Calendar, and has been called, and is entitled to consideration. I rise to ask recognition from the Chair.

Mr. KITCHIN. The gentleman from California [Mr. KAHN], who is familiar with this bill, is here.

The CHAIRMAN. The gentleman from Wisconsin [Mr. STAFFORD] asks recognition of the Chair?

Mr. STAFFORD. Yes.

The CHAIRMAN. The Chair recognizes the gentleman.

Mr. STAFFORD. I was under the impression, Mr. Chairman—and that impression is confirmed by the gentleman from California [Mr. KAHN]—that the purpose of this bill was incorporated in the Army appropriation bill. I therefore move that the bill be reported back to the House with the recommendation that it lie upon the table.

The CHAIRMAN. The gentleman from Wisconsin moves that this bill (S. 979) be reported back to the House with the recommendation that it lie on the table. The question is on agreeing to that motion.

The motion was agreed to.

STEAMSHIP "CALDERA."

Mr. STAFFORD. Mr. Chairman, my attention has been called, since the first bill was brought up for consideration, to the calendar, which shows that Senate bill 2469, now public law 118, authorizing the change of the name of the steamship *Caldera*, has passed both bodies and is now a law. I now ask that the House bill 4988 be called up formally so that I may make a motion to have it reported back to the House with the recommendation that it lie on the table.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent to call up the bill H. R. 4988. Is there objection? There was no objection.

Mr. STAFFORD. I move, Mr. Chairman, that the bill H. R. 4988 be laid aside with the recommendation that it lie on the table.

The CHAIRMAN. The gentleman from Wisconsin moves that the bill (H. R. 4988) to authorize the changing of the name of the steamship *Caldera* be laid aside with the recommendation that it lie on the table. The question is on agreeing to the motion.

The motion was agreed to.

The CHAIRMAN. The Clerk will report the next bill.

MARY NEAF.

The next business in order on the Private Calendar was the bill (H. R. 7715) for the relief of Mary Neaf.

The title of the bill was read.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read the bill, as follows:

*Be it enacted, etc.,* That Mary Neaf, mother of Richard Neaf, who served under the name of John Ryan as a private in the One hundred and sixty-seventh Company, Coast Artillery Corps, shall be considered as the duly designated beneficiary of the late Richard Neaf, alias John Ryan, under the act approved May 11, 1908, as amended by the act approved March 3, 1909.

Mr. STAFFORD. Mr. Chairman, I move, if some member of the committee does not wish so to move, that this bill be laid aside with a favorable recommendation that it do pass. I beg the pardon of the gentleman from Missouri [Mr. IOGE]. The gentleman can make the motion.

Mr. IOGE. Never mind. Go ahead.

The CHAIRMAN. The gentleman from Wisconsin moves that the bill (H. R. 7715) for the relief of Mary Neaf be laid aside with the recommendation that it do pass. The question is on agreeing to that motion.

The motion was agreed to.

The CHAIRMAN. The Clerk will report the next bill on the Private Calendar.

CLAIMS AGAINST THE CHOCTAW AND CHICKASAW NATIONS.

The next business in order on the Private Calendar was the bill (H. R. 329) referring certain claims against the Choctaw and Chickasaw Nations of Indians to the Court of Claims.

The title of the bill was read.

Mr. HASTINGS. Mr. Chairman, the bill just read by title was incorporated as an amendment to the Indian appropriation bill last year. For that reason I move that the bill be reported back to the House with the recommendation that it lie on the table.

The CHAIRMAN. The gentleman from Oklahoma moves that the bill H. R. 329 be reported back to the House with the recommendation that it lie on the table. The question is on agreeing to that motion.

The motion was agreed to.

HARRIET FISHER.

The next business in order on the Private Calendar was the bill (H. R. 855) for the relief of Harriet Fisher.

The title of the bill was read.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read as follows:

*Be it enacted, etc.,* That the Secretary of the Interior be, and he is hereby, authorized to issue a patent to Harriet Fisher, of St. Louis, Mo., for the southeast quarter of the southwest quarter of section 28, in township 17 south, range 7 west, of the fifth principal meridian in Arkansas: *Provided*, That she shall file application for the land and pay therefor at the rate of \$1.25 per acre within six months after the approval of this act.

Mr. TILLMAN. Mr. Chairman, I assume that there will be no opposition to the passage of this measure.

In 1861 a certain military land warrant was issued and it was sought to be located on a particular 40 acres of land in the State of Arkansas, and described in the bill. A mistake was made in the location of the land and the location was canceled. Later another effort was made to locate this particular land warrant, which was located on different land from the tract in question. For the past 50 years this tract of 40 acres has been occupied and thought to be owned by different individuals. Finally this St. Louis woman, Mrs. Harriet Fisher, acquired the land through purchase in good faith for a valuable consideration. It developed that the tract had never been patented. During all these years the taxes assessed against the property have been paid. The title was thought to be good, and now this party simply asks the privilege of entering it at the prevailing price of \$1.25 an acre.

I move, Mr. Chairman, that the bill be reported back to the House with the recommendation that it be passed.

The CHAIRMAN. The gentleman from Arkansas moves that the bill H. R. 855 be reported back to the House with the recommendation that it be passed. The question is on agreeing to that motion.

The motion was agreed to.

The CHAIRMAN. The Clerk will report the next bill on the Private Calendar.

ALEXANDER F. M'COLLAM.

The next business on the Private Calendar was the bill (H. R. 1423) for the relief of Alexander F. McCollam.

The Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Interior be, and he is hereby, authorized and directed to issue a patent to Alexander F. McCollam, of Yankee Jims, Placer County, Cal., for the lands described in homestead entry No. 07349, Sacramento series, being homestead-entry survey No. 147, in section 28, township 14 north, range 10 east, Mount Diablo Meridian, in Sacramento land district, in Placer County, Cal., and containing 1.35 acres, according to official plat of homestead-entry survey No. 147, in the Tahoe National Forest made July 19, 1915.

Mr. RAKER. Mr. Chairman, this bill passed the House and went to the Senate during the last days of the last Congress, and like many other bills did not get through the Senate. The committee has again unanimously reported it to the House, and I move it be reported to the House with a favorable recommendation.

Mr. MANN. Mr. Chairman, I know from observation in the past that the gentleman from California can make himself heard, but we could not hear what he said at this time.

The CHAIRMAN. Does the gentleman ask that the gentleman from California repeat his statement?

Mr. MANN. I could not ask that he repeat it, but I ask the gentleman to explain the bill so that we may know something about it.

Mr. RAKER. Mr. Chairman, I would be pleased to make a statement. The purpose of the bill is to have a patent issued to the present owner, Alexander F. McCollam, so far as the records are concerned of the probate court in Placer County. Originally Henry Eckhoff made application for a homestead. It was land segregated in a forest reserve set apart for town purposes. People were allowed to make homestead entries on the land. Eckhoff made a homestead entry, inclosed it, and thereafter died before patent could issue. The probate proceedings were taken in the court of Placer County before Judge Prewett, the necessary proceedings were had at the sale, and McCollam purchased the property and a deed was issued to him.

Mr. STAFFORD. Will the gentleman yield?

Mr. RAKER. Yes.

Mr. STAFFORD. Under the regulations of the Land Office it is necessary for the purchaser at an administration sale of the rights of the deceased intestate to public lands to also prove that he himself is qualified as an entryman and entitled to a patent?

Mr. RAKER. It might be if it was an ordinary homestead of 100 or 320 acres; but this is a small tract of a forest reserve that these people were allowed to homestead. The gentleman will notice that this only comprises 1.16 acres of land—a town lot.

Mr. STAFFORD. The gentleman has not answered my question. The gentleman is on the Public Land Committee, and, I suppose, is well acquainted with the laws as to the rights of purchasers of the claims of deceased homesteaders.

Mr. RAKER. If a man makes a purchase at a valid sale he does not have to prove his qualifications as a homestead claimant, if all the proceedings are under the land laws. But in this particular instance, being a town lot, fenced, and a nice little home on the place, they do not require the purchaser to show his qualifications as a homestead claimant. In other words, the ordinary course would be to make final proof and get a patent for the heirs. There were no heirs. The effort was made, and the court allowed the proceedings to go through the probate court, and McCollam purchased at an administrative sale, paid his money, and then his only course by which he could obtain the title to the land was to make a proper showing to the Land Office, which he has done, and they recommended that the patent be issued for this small tract of land.

Mr. STAFFORD. I do not believe the department has gone quite as far as the gentleman says in recommending that a patent be issued to the purchaser of the rights of the deceased claimant.

Mr. RAKER. They have said that they would make no objections.

Mr. STAFFORD. I am a little in doubt as to whether the purchaser would not have to qualify to show that he was a qualified entryman in order to entitle him to a patent.

Mr. RAKER. No; if he applied to the Land Office and got a patent issued to him directly, not as an heir of the original applicant, he might have to do it; but there are no provisions in the law whereby you can sell the rights of a homestead claimant at an administrative sale and get a patent, and therefore it requires this kind of legislation.

Mr. NORTON. Will the gentleman yield?

Mr. RAKER. Yes.

Mr. NORTON. As a matter of fact, the estate of this man Eckhoff had no interest in this land whatever under existing law.

Mr. RAKER. Except as a homestead claimant.

Mr. NORTON. That is no interest at all. You are trying to have enacted law which would give McCollam this land, whereas under any claim of right that he makes as having a right from Eckhoff does not exist. The gentleman is asking Congress to give him pure new legislation, to give him this land and put it under the guise that Eckhoff at one time had a claim on the land. That is it in substance.

Mr. RAKER. I beg the gentleman's pardon, there is no assumption about it. The probate court assumed jurisdiction and wound up the estate. Administration was completely had and the court authorized the sale by giving public notice, which was given. They authorized the sale of 1.16 acres, and at the executive sale Mr. McCollam bought and paid the money and got his deed. Eckhoff had no heirs that they have been able to find. Mr. McCollam has paid the money and the Department of Agriculture has received it, and the Secretary of the Interior says that this is the only method by which a man can obtain title to what he has bought and paid for. We have taken this method to do it.

Mr. NORTON. You would have exactly a similar case if a man had last year taken up 640 acres in North Dakota, settled on it, and a few days after settling had died, and I had gone out there, had his estate probated, and had included in the estate the 640 acres and made a purchase of it, when under the law I knew that that land would not descend to his estate at all.

Mr. RAKER. Oh, yes.

Mr. NORTON. And the administration of the estate, including that land, was a mere fiction.

Mr. RAKER. Oh, I beg the gentleman's pardon. Under any homestead filing properly complied with the widow, if any, and the minor children, if any, or the representatives, may make final proof on the homestead and get a patent. I have seen it done many times.

Mr. NORTON. So have I; but in this case there is no widow and no children.

Mr. RAKER. In this case it is only a town-lot site set aside in a forest reserve as part of the town, where the man had been living on it, and they called them homesteads, and the man got his filing for this 1.16 acres, built a nice home, and then died, and the probate court administered upon it, and McCollam purchased it at the sale. This is the only method by which he can get the title.

Mr. HAMILTON of Michigan. Mr. Chairman, will the gentleman yield?

Mr. RAKER. Yes.

Mr. HAMILTON of Michigan. Assuming the probate proceedings were entirely regular, did not McCollam take only such title as Eckhoff actually possessed, and he possibly bought the property in at the administrators' sale at a price somewhat below what the property would be worth if the title was known to be absolutely settled?

Mr. RAKER. No; I think not. I understood from what I gathered, which is not in the record, that it was offered at public sale, and he paid a fair price. Just what amount he paid I do not remember.

Mr. HAMILTON of Michigan. Of course, he bought the property with his eyes wide open, knowing what he was getting.

Mr. RAKER. Oh, surely; but the judge who administered upon the case is one of the ablest men in California, and ordinarily people have great confidence in a proceeding before a judge of that kind. The judge assumed jurisdiction and completed the administration. Here is a little home, and the man assumed that he would eventually get the title. He finds now that the strict legal title is in the Government. The equitable title to the fence and in the house was in McCollam, beyond question. He asks Congress to allow the Secretary of the Interior to issue him a patent for this land, and the Department of the Interior as well as the Department of Agriculture accede to that; they think it ought to be done.

Mr. HAMILTON of Michigan. Of course, the gentleman understands that I am not questioning the legal ability of the court.

Mr. RAKER. I appreciate the importance of the gentleman's question.

Mr. NORTON. The gentleman states that Eckhoff built a nice home on this land.

Mr. RAKER. He did.

Mr. NORTON. And lived there—settled there.

Mr. RAKER. He did.

Mr. NORTON. He resided there for some time?

Mr. RAKER. He resided there for some time and then died.

Mr. NORTON. How much was this home worth?

Mr. RAKER. I do not remember now just what it is worth.

Mr. NORTON. I notice that McCollam paid \$75 for it.

Mr. RAKER. Yes.

Mr. NORTON. It must have been a very fine home.

Mr. RAKER. I have seen many homes on this land we are trying to legislate about, for homesteaders, for \$50 or \$75.

Mr. NORTON. What is the land worth per acre?

Mr. RAKER. At this particular place?

Mr. NORTON. Yes.

Mr. RAKER. Oh, it is a little town in the mountains.

Mr. NORTON. As a matter of fact, of course, under the law I know, and I think the gentleman knows—

Mr. RAKER. I said that the strict legal title is in the Government.

Mr. NORTON. It is just passing legislation here to give him a piece of Government land which he can acquire in another way.

Mr. RAKER. No, he can not.

Mr. NORTON. Can he not make entry on this land now?

Mr. RAKER. No.

Mr. NORTON. Why not?

Mr. RAKER. It would not be practical to use his homestead rights on an acre of town lots that he thought he was getting title to. It is too small to take the time of the House.

Mr. NORTON. Another way in which he would acquire it, instead of coming here to Congress and taking the time of Congress and incurring an expense of several hundred dollars on the part of Congress, would be to buy scrip and scrip it.

Mr. RAKER. No; that kind of land is not subject to scrip.

Mr. NORTON. Santa Fe scrip.

Mr. RAKER. No; you can not scrip on an acre and sixteen one-hundredths of an acre.

Mr. NORTON. I do not want to dispute the gentleman, but I do not know of any land that can not be scripped.

Mr. RAKER. There have been too many thousands of acres scripped in my district, taken from the Santa Fe, and you can not do it.



Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. RAKER. Yes.

Mr. STAFFORD. I was rather surprised at the gentleman's statement of the law that it was not necessary for the purchaser to qualify himself as an entryman in order to entitle him to succeed to the rights of the deceased intestate. I direct the gentleman's attention to the language of the Secretary of the Interior on that subject on page 4 of the report. That is the reason that I inquired as to the law and regulations governing that phase of the subject. In the last paragraph but one from the end the Secretary writes:

No evidence has been submitted tending to show whether or not Alexander F. McCollam possesses the requisite homestead qualifications necessary to the entry by him of public lands under the homestead laws.

I take it from that statement that the department would decline to recognize any person as purchaser of the rights of a homestead entryman unless he could qualify as a homestead entryman.

Mr. RAKER. Not in a case of this kind. I feel quite sure of the point because of the peculiar status of those town-site lots. It is divided up in blocks or lots, and these people were permitted to take these pieces each one was living on and call it his home, and in a way they called it a homestead.

Mr. STAFFORD. They had to qualify to take those pieces of land under the homestead law?

I do not believe the intent of the homestead law would cover that case. Unquestionably, in my mind, from reading the Secretary's letter, it does technically require that a person must be a qualified entryman.

Mr. RAKER. Ordinarily I think there is no doubt about that. Mr. Chairman, I move that the bill be laid aside with a favorable recommendation.

The motion was agreed to.

DAVID E. GRAY.

The next business in order on the Private Calendar was the bill (H. R. 1607) for the relief of David E. Gray.

The Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Postmaster General be, and he is hereby, authorized and directed to credit the accounts of David E. Gray, postmaster at Greeley, Colo., in the sum of \$10,088.09, due to the United States on account of postage stamps and other stamped paper on account of losses resulting from burglary of said post office on July 1, 1911.

Mr. TIMBERLAKE. Mr. Chairman, unless some explanation is asked of this bill I would like to move that it be reported back to the House with a favorable recommendation.

Mr. STAFFORD. Mr. Chairman, the bill carries the very large amount of \$10,000, and I think the gentleman should make some explanation of the merits of this bill before moving its adoption.

Mr. TIMBERLAKE. I will be very glad to do so. This is the case of a post-office burglary. The post office at Greeley, Colo., in 1911, was robbed of stamps and post-office receipts to the amount of \$10,088.09. The report accompanying this bill is a very complete showing that full investigation of the robbery was made by the representatives of the Post Office Department in Colorado, to which investigation the postmaster himself gave every aid possible and spent quite a large sum of money in order to apprehend the thief and recover the stolen property, however without avail. The fact that it exceeds the amount of \$10,000 is the only thing that prevented prompt settlement by the Post Office Department, the law requiring that when the amount exceeds \$10,000 that the Post Office Department must be authorized by a special act of Congress to relieve the indebtedness, and that is the purpose of this bill, which has the full indorsement of the Postmaster General.

Mr. MANN. Will the gentleman yield for a question?

Mr. TIMBERLAKE. Yes; I shall be glad to do so.

Mr. MANN. Has this bill been before previous Congresses?

Mr. TIMBERLAKE. That is a question that I am unable to answer. It only was brought to my attention in the fore part of 1916. At the time I introduced the bill, I think—

Mr. STAFFORD. I know that the gentleman is very familiar with it, but the report does not disclose that it has ever been submitted to the House or the Senate for action.

Mr. TIMBERLAKE. I think that is true if I remember correctly.

Mr. STAFFORD. And the letter of the Postmaster General on this subject is as late as January 22 of this year.

Mr. MANN. It seems to me remarkable that where the Post Office investigators promptly made an investigation and promptly reported that the postmaster should be relieved from the liability no claim has been made to Congress between 1911 and 1917. I did not recall the bill in a former Congress, and that is the reason I asked the gentleman.

Mr. TIMBERLAKE. The report does not disclose that, and I have no personal information with reference to it. I know a considerable sum was spent by the postmaster himself in conjunction with the representatives of the department in an endeavor to run down the thief. They had several clues presented to them, and considerable time was used in such investigation before remedy was asked from the department.

Mr. BLANTON. Will the gentleman yield?

Mr. TIMBERLAKE. I shall be very glad to do so.

Mr. BLANTON. Did the committee before whom this bill was pending hear evidence of the justice of the claim?

Mr. TIMBERLAKE. The member of the Post Office Committee [Mr. STEENERSON] who made the report on the bill will answer that question.

Mr. BLANTON. I would just like to know whether or not favorable report on this bill was made solely upon the letter of the Postmaster General or did they hear evidence?

Mr. STEENERSON. We heard the representative of the Post Office Department and the committee was unanimous in recommending it.

Mr. BLANTON. I wanted to know if the evidence showed that the requirements under section 361 of the postal regulations were carried out by the Postmaster, that the funds were securely locked up as required by that regulation?

Mr. STEENERSON. Yes; the evidence showed that they were locked in a safe furnished by the United States Government, and it was not the postmaster's property.

Mr. BLANTON. That the postmaster was in no way negligent?

Mr. STEENERSON. No; the burglar entered by taking out a pane of glass in the rear and reaching around and opened the lock of the door. This safe formerly was in use by the United States Government at Colorado Springs, and the post-office inspector had this safe moved to Greeley, and it was furnished to the postmaster by the United States Government and locked, and they knocked off—what is it?

Mr. TIMBERLAKE. The combination of the safe.

Mr. STEENERSON. The knob you turn.

Mr. BLANTON. I would like to know whether if the full amount of the loss, as evidenced by this claim, was definitely proven by evidence of probative force?

Mr. STEENERSON. It was absolutely proven and the only reason why the Post Office Department did not pay it at once was because it exceeded by \$85 the maximum the department can pay in such cases under the statute of 1888.

Mr. BLANTON. I would like to state to the committee the reason I am asking these questions is there are a number of claims coming from various postmasters all over the country for alleged loss of stamps and funds, and so forth, against which I expect to lodge objection, and I did not want a precedent to be established in this particular case by letting this bill go through unless all of these matters had been met—

Mr. STEENERSON. That is very true.

Mr. BLANTON. I want to call the attention of the committee to the fact that during the past fiscal year there were 664 claims made in the Post Office Department by 664 different postmasters, aggregating \$98,966.40, which were allowed by the Postmaster General and paid, not claims made and disallowed but claims made and allowed by the Postmaster General.

Mr. STEENERSON. Because they were less than \$10,000.

Mr. BLANTON. Because the Postmaster General could not say that they had not met the requirements of the law or had been negligent. Now, if there were this number of claims allowed by the Postmaster General, the committee can readily understand how many other claims were made and were turned down. So you can see it is a momentous question, after all, that is under consideration. And I want to see these claims especially proven before the committee by competent evidence of probative force, and not merely take it for granted that the loss occurred and the postmasters suffered the various losses claimed.

Mr. STEENERSON. There is no question in this claim.

Mr. BLANTON. No question as to the loss or want of negligence on the part of the postmaster?

Mr. STEENERSON. The claim would have been paid by the department if they had had jurisdiction, but unfortunately it exceeded their jurisdiction by \$88. It is recommended by the department and urged by them.

Mr. TIMBERLAKE. Mr. Chairman, I move that the bill H. R. 1607 be referred to the House with a recommendation that it pass.

The CHAIRMAN. The gentleman from Colorado [Mr. TIMBERLAKE] moves that the bill be referred to the House with the recommendation that it pass.

Mr. BLANTON. Mr. Speaker, just one moment. I would like to ask the gentleman why this particular claim was not referred to the Committee on Claims for attention? It occurs to me that it is a claim that should properly have gone to the Committee on Claims.

Mr. TIMBERLAKE. In reply to the question of the gentleman from Texas, permit me to say that I was quite new in my service here at the time I presented this bill, and I took advice from older parties, and that was that, with the recommendation and reports that were made by the Post Office Department, the Committee on the Post Office and Post Roads would be the proper place to refer the bill.

Mr. BLANTON. May I ask whether the Committee on the Post Office and Post Roads usually investigate claims of this character? Are they in the habit of investigating claims of this character?

Mr. STEENERSON. We have in some cases. In some cases, if they are less than \$10,000, we do not want anything to do with them. That is a claim the department has control of. In a claim of this kind the statute itself requires it to be reported to the Speaker of the House for adjustment.

Mr. BLANTON. I might add that the Committee on Claims has lately investigated carefully a case involving over a million dollars. So, I take it—

Mr. STEENERSON. I know that the committee did not ask for any bill. I would like to get rid of it, but as long as it was before us without objection we did our best to report it. The chairman of the committee is here.

Mr. MOON. Mr. Chairman, I want to say that it is very clear under the rules that not only the Committee on the Post Office and Post Roads but the Committee on Claims may take jurisdiction of claims of this character. It has been the habit of the Committee on the Post Office and Post Roads frequently to take care of these cases, and where many of these claims have come to us we have voluntarily relinquished our jurisdiction and sent them to the Committee on Claims for adjudication. There is no question of the right of the Post Office Committee to determine these matters.

The CHAIRMAN. The gentleman from Colorado moves that the bill H. R. 1607 be reported back to the House with the recommendation that it be passed.

The motion was agreed to.

WILLIAM M. WILSON.

The next business in order on the Private Calendar was the bill (H. R. 2635) to authorize the issue of a patent to certain land in Alabama to William M. Wilson.

The bill was read, as follows:

*Be it enacted, etc.,* That the Secretary of the Interior is hereby directed to issue a patent to William M. Wilson, of Chilton County, Ala., for the southeast quarter of the southeast quarter of fractional section 32, and the southwest quarter of the southwest quarter of fractional section 33, township 21 north, range 17 east, St. Stephens meridian, in the State of Alabama, reserving to the United States the right to overflow all or any part of said land in the construction and maintenance of work for the improvement of navigation in the Coosa River, without compensation to the said Wilson, his heirs or assigns, for any damages they may sustain by reason of such overflow.

Mr. FOSTER. Mr. Chairman, this is a bill in reference to land, as I understand, down in Alabama. I notice in the report it says something about the use of this land for Government work in that vicinity, as I have it marked here. I would like to ask if this land is to be used in Government work down there in the completing of a dam, or whatever it may be, for the improvement of navigation.

Mr. WALTON. I am unable to personally answer that question. This is a bill of the gentleman from Alabama [Mr. BLACKMON], and I understand he is ill. I was directed by the Committee on Public Lands to make a favorable report. As I understand, this land was withdrawn in 1908, on the Coosa River, it being the intention to determine just what portion was necessary for the river's improvement. In 1912 Mr. Wilson through inadvertence was allowed to make a homestead entry, which he perfected, but on account of a prior withdrawal patent could not be granted. I do not know anything about the project.

Mr. FOSTER. The letter of a Secretary of the Interior says:

The tracts involved, with other unappropriated lands bordering on the Coosa River and the islands therein, were in the year 1908 withdrawn from all forms of disposal for use in connection with the improvement of said river until it should have been determined what portions were actually needed for the work.

Now, this man went on there. I think he is entitled to some relief. But we have in some of these cases allowed a money consideration for damages in going on the land, and I wondered if this land was really land that was to be used in Government work down there. I notice it says that the Government shall not be held responsible for any damage done to this land by

overflow, but the question is whether it was in proximity to this work, where this land was necessary, and it probably ought to be retained, and whether the man ought or ought not to be paid, instead of given the land, for whatever damages have come to him as the result of his being permitted to settle on the land. That is the inquiry I wanted to make.

Mr. WALTON. I am not familiar with the facts in detail. Perhaps the gentleman from Alabama [Mr. ALMON] knows something about them.

Mr. ALMON. I understand the only way the land will ever possibly be needed by the Government will be by reason of overflow for building of dams, and the bill provides that Mr. Wilson shall not have any claim against the Government for overflow, and if that is true I do not see that the Government would have any further interest in it.

Mr. ROBBINS. Mr. Speaker, I notice in this report this significant statement of the Secretary of the Interior, namely, that there has been an appeal taken from a decision; that this man appears to have inadvertently gone onto land which was withheld from entry, and it simply says this, quoting from the report:

From said decision an appeal was prosecuted to the department, and the case is now pending here pursuant thereto.

It seems to me there has been no decision on the appeal in the Land Office. If that is true, I do not think we ought to legislate until that appeal is decided.

Mr. FOSTER. Here is some land that was afterwards withdrawn from entry. There comes along a man who is permitted to enter on the land. Of course, the Government does not guarantee a title when men enter upon land, and yet he was permitted to enter on the land and it seems he made all proof to secure this land.

I think when the Government does that it is at least morally under obligation not to permit men to spend their money and get nothing for it. We have passed bills similar to this, I will say to the gentleman from Pennsylvania, and have paid men for the land where it was not feasible to give the land.

Now, the only question in my mind is whether this land is of the kind to be used by the Government in its work down there. I do not believe there is any question but that the man has a claim against the Government. We are assured by the gentleman from Alabama [Mr. ALMON] that that land is not to be used by the Government, so that under the circumstances, as I look at it, this man ought to have this land. He has complied with the law as far as he could. The fact that the land was withdrawn was not known to him.

Mr. ROBBINS. Does the gentleman, who speaks with some knowledge of this bill, know anything about the improvements that have been made upon the land by Mr. Wilson, the alleged settler?

Mr. RAKER. Mr. Chairman, if the gentleman from Illinois will permit, Mr. BLACKMON appeared before the Committee on Public Lands when this bill was under consideration, and my recollection is that he stated there were some improvements on the land such as a homesteader generally places on land, and I recall the further fact that this man in good faith made his filing, and the Land Office permitted him to make the filing, but they denied him the final proof, which they had to do under the law, because the land had been withdrawn. He took his appeal in order to keep his homestead intact. The Secretary of the Interior in the last Congress—the Sixty-fourth Congress—recommended that this bill be passed, and the Secretary again recommends here that the bill be passed. This man had to take the appeal or he would have been down and out entirely. He has taken the appeal solely to protect his rights. With the appeal pending in the Land Office, the Secretary heartily recommends that the bill be adopted, so that the applicant may get title to the land.

I recollect the further fact, as presented by Mr. BLACKMON, that it is a question, even if the Coosa Dam was built, whether it would overflow it.

Mr. ROBBINS. I was going to ask how far is this Government improvement on the Coosa River from this land? It is evidently a backwater proposition that they are trying to protect here. What information has the gentleman on that?

Mr. RAKER. At this time I have no information as to the distance of this land from the dam, but it is on the river where it is expected there may be an overflow. But this protects the Government, and this man would get no compensation for it.

Mr. ROBBINS. On that statement I have no objection.

Mr. WALTON. Mr. Chairman, I move that the bill be reported back to the House with favorable recommendation.

The CHAIRMAN. The gentleman from New Mexico moves that the bill H. R. 2635 be reported back to the House with the



recommendation that it do pass. The question is on agreeing to that motion.

The motion was agreed to.

The CHAIRMAN. The Clerk will report the next bill on the Private Calendar.

ALMA HARRIS.

The next business in order on the Private Calendar was the bill (H. R. 4240) for the relief of Alma Harris.

The title of the bill was read.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read as follows:

*Be it enacted, etc.,* That the Secretary of the Interior be, and he is hereby, authorized and directed to issue patent to Alma Harris for the southeast quarter section 12, township 29 south, range 7 west, New Mexico principal meridian, in the Las Cruces land district, New Mexico, upon payment of the lawful purchase price of said land, without further proof of compliance with law.

Mr. FOSTER. Mr. Chairman, I understand the only reason why the bill seeks to give this woman the title to the land without further proof of compliance with the law is on account of its being close to the Mexican border.

Mr. WALTON. Yes. This land is located close to the Mexican border.

Mr. FOSTER. And it is unsafe for her to be there?

Mr. WALTON. Yes; and the War Department notified her that it would be unsafe. I move the bill be reported to the House, Mr. Chairman.

The CHAIRMAN. The gentleman from New Mexico moves that the bill H. R. 4240 be reported to the House with favorable recommendation. The question is on agreeing to that motion.

The motion was agreed to.

The CHAIRMAN. The Clerk will report the next bill.

THOMAS CAMPBELL.

The next business in order on the Private Calendar was the bill (H. R. 1873) for the relief of Thomas Campbell.

The title of the bill was read.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read as follows:

*Be it enacted, etc.,* That the Secretary of War is hereby authorized and directed to remove from the records of his department the charge of desertion against Thomas Campbell, formerly of Company K, Ninth Regiment New York Volunteer Infantry, and to issue to him an honorable discharge as of the date of May 20, 1863, when said regiment was mustered out of service.

With a committee amendment, as follows:

At the end of the bill insert the following:

*Provided, That no pension, bounty, or allowances shall accrue prior to the passage of this act.*

Mr. CRAGO. Mr. Chairman, the gentleman from New York [Mr. RIORDAN] is absent from the House, as is Mr. CALDWELL, who reported the bill. In their absence I ask that the bill be favorably reported to the House.

Mr. FOSTER. Mr. Chairman, as I understand, this is to give this man an honorable discharge.

Mr. CRAGO. Yes, sir.

Mr. FOSTER. That, to my understanding, has never been done. I recall a few years ago getting a bill unanimously through this House twice and through the Senate twice unanimously, and each time it was vetoed. Does the gentleman suppose that if he gets this bill through for an honorable discharge for this man he will get it signed?

Mr. HARRISON of Virginia. They have a prescribed form.

Mr. FOSTER. I understand so. This is designed, as I understand, to give this man a pensionable status, and there is a prescribed form by which that is done.

Mr. MANN. Not a prescribed form, but a customary form.

Mr. FOSTER. Yes; that is better.

Mr. CRAGO. This is out of the ordinary.

Mr. MANN. If the gentleman from Pennsylvania will yield, I will say that when I came here first this form of a bill was passed and a great many bills of this character became laws. Finally the War Department advised, I think, President Roosevelt first that it was without the power of Congress to change the facts, and President Roosevelt vetoed all of the bills of this character which were sent to him after a certain time. There were not very many sent. When Mr. Taft came in as President a bill of this kind slipped through the House and the Senate, and was, I believe, vetoed by President Taft for the same reason.

The War Department has consistently maintained the position that it would recommend that the President veto any bill which provided that you grant an honorable discharge to a man who had not received an honorable discharge, and that Congress by legislating could not alter facts. The fact remains in the War Department that a man had been dishonorably discharged.

We might say that we change the facts, but the facts would still remain. We adopted then the policy of granting the right of pension to soldiers on the theory that that would admit them to the Grand Army of the Republic if they were granted a pension, because ordinarily a man can not receive a pension unless he has an honorable discharge, and the fact was they got their pension and practically an honorable discharge.

Mr. CRAGO. I think the gentleman is entirely correct as to the proposition, and we have endeavored in our committee to put all the bills in that shape. I think the proper course here would be, since that has not been done with respect to this bill, to change it in accordance with that form.

This man Campbell is a brother of the late Hon. Timothy J. Campbell, who served in the House from New York a number of years ago.

I move, Mr. Chairman, that the bill be amended to read as follows:

That in the administration of any laws conferring the rights, privileges, or benefits upon honorably discharged soldiers, Thomas Campbell, formerly of Company K, Ninth Regiment, New York Volunteer Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of said company and regiment on the 20th day of May, 1863, when said regiment was mustered out; *Provided, That no pension, bounty, or allowances shall accrue prior to the passage of this act.*

Mr. STAFFORD. Will the gentleman yield before the gentleman makes that motion? Will the gentleman advise the committee as to the policy of the Committee on Military Affairs in favorably reporting bills of this character, where the soldier was obligated to serve a term of three years and then deserts, and his justification is that when he enlisted he enlisted with the understanding that he was only to enlist until his regiment was mustered out?

Mr. CRAGO. I will say that the policy of the Military Committee on these bills has been this: They are all referred to a subcommittee, the subcommittee looks over the records, considers them carefully, and if they are unanimous in their conclusions they so report it to the full committee. The full committee authorizes some one of the subcommittee to make the report. With the thousands of cases before the committee, they steer clear of giving any man a pensionable status who had not served one year. This man was transferred to this battery with the understanding that when the organization went home to New York he would go home with them and be discharged. He served more than a year, and went back to New York with his battery, and he thought he was mustered out.

Mr. STAFFORD. But he enlisted for a term of three years.

Mr. CRAGO. The battery went home and was mustered out, and he thought he was mustered out. He stayed there in his usual avocation, and it is easily understood that where a man's organization was taken home to New York, and he was a member of that organization, it was not a very great stretch of the imagination for him to think that he was mustered out as well as the rest. It was merely a matter of bookkeeping.

The CHAIRMAN. The gentleman from Pennsylvania moves to strike out certain language and insert the language that he has stated.

Mr. CRAGO. I will furnish the Clerk with the amendment in writing.

The CHAIRMAN. The question is on the motion of the gentleman from Pennsylvania.

The motion was agreed to.

Mr. CRAGO. I move that the bill as amended be reported to the House with the recommendation that it be passed.

The motion was agreed to.

CHARLES LYNCH.

The next business on the Private Calendar was the bill (H. R. 1954) for the relief of Charles Lynch.

The Clerk read the bill, as follows:

*Be it enacted, That in the administration of any laws conferring the rights, privileges, or benefits upon honorably discharged soldiers, Charles Lynch, who was a private in Company A, Ninth Connecticut Volunteer Infantry, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a member of said company and regiment on the 16th day of July, 1864: Provided, That no back pay or pension be allowed prior to the passage of this act.*

Mr. FOSTER. Mr. Chairman, I notice this proviso is in a little different form than usual on these bills. This says that "no back pay or pension shall be allowed prior to the passage of this act." Usually it says that "no back pay, bounty, or allowances shall accrue," and so forth.

Mr. TILSON. There was no intention not to have this in the usual form. Mr. Chairman, I move that the proviso be amended so as to read that "no pension, bounty, or allowances shall accrue prior to the passage of the bill."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amend the proviso by making it read: "Provided, That no pension, bounty, or allowances shall accrue prior to the passage of this act."

The amendment was agreed to.

Mr. TILSON. Mr. Chairman, this bill was passed unanimously by the Sixty-fourth Congress and failed to receive consideration in the Senate. It is back here by unanimous report of the Committee on Military Affairs.

The facts are set out quite fully in the report, and unless there is some question, which I shall be very glad to answer, I move that the bill be laid aside with a favorable recommendation.

Mr. STAFFORD. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. STAFFORD. I would like to know the reason why he was denied an honorable discharge.

Mr. TILSON. Because he was left by his organization. He had been in the service nearly three years. His regiment started to return by boat from New York, having been at home to fill up its ranks by recruiting, and he was to sail with the rest of the regiment, but they went away without him. He had been allowed to go ashore by his lieutenant for the purpose of purchasing some tobacco. When he returned to the dock the ship with all his personal equipment and everything else was gone. Instead of trying to follow up his command or reporting himself to the Provost Marshal, as he should have done, he was improperly advised and enlisted in another regiment 12 days later. In the new regiment he served until August, 1865. He has an honorable discharge by law from the second enlistment, but he has no honorable discharge from the first enlistment, and this precludes him from receiving a pension. I move that the bill be laid aside with a favorable recommendation.

Mr. RAGSDALE. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. RAGSDALE. I thought the House was committed to the policy that where people did not have an honorable discharge in this war they should not be allowed a pension. Why should they be allowed a pension in any other service if not in this war? Is not the service as great in this war as in any other war?

Mr. TILSON. Oh, yes; but this man has an honorable discharge from one service, but has not from the other. He was accidentally left by his organization, and while technically he was a deserter, he was not really a deserter.

Mr. RAGSDALE. And yet by the rule which has been stated on the floor of the House he would not be entitled to a pension.

Mr. TILSON. That is the rule as it has always existed, but under the facts we think he ought to have a pension.

Mr. RAGSDALE. Then we are going to make exceptions to the rule which we affirmed the other day relating to those who are serving in France to-day.

Mr. TILSON. Oh, I suppose we shall make exceptions under all laws where proper cases arise.

Mr. FOSTER. There will probably be soldiers in this war where they make a proper showing, where exceptions will have to be made.

Mr. TILSON. Undoubtedly; it is human to err, and mistakes have been made through all time. Where we find that a real mistake has been made and because of it some soldier who has rendered honorable service has been injured, that mistake ought to be remedied just as far as possible.

Mr. RAGSDALE. The gentleman thinks this is purely a question of mistake and of no intention upon the part of the man?

Mr. TILSON. The committee was entirely convinced that there was no fault on the part of the soldier so far as his being left was concerned, and it is shown that he was very much disturbed on account of being left behind. The boat carried away all of his clothing and equipment, and it appears that the man was very much disconcerted on account of it.

The CHAIRMAN. The question is on the motion of the gentleman that the bill H. R. 1954 be laid aside with a favorable recommendation to be reported to the House with the recommendation that the bill as amended do pass.

The motion was agreed to.

The CHAIRMAN. The Clerk will report the next bill.

JEREMIAH STOVER.

The next business on the Private Calendar was the bill (H. R. 667) for the relief of Jeremiah Stover.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Jeremiah Stover, who was a private of Company B, One hundred and eighty-eighth Pennsylvania Infantry Volunteers, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a member of said company and regiment on the 16th day of October, 1865.

Mr. CRAGO. Mr. Chairman, unless some explanation is asked to this bill—

Mr. FOSTER. Oh, I think the gentleman should explain it.

Mr. CRAGO. The facts, in brief, are these: This bill went through the same course as all the other bills in the subcommittee and in the full committee. Jeremiah Stover is more than 80 years of age. He lives in Gettysburg. He has a son-in-law, there who is a prominent citizen and an official of one of the railroads. Mr. Stover was a soldier who served more than three years' honorable service. He was doing provost duty at one time and was authorized by the officer having charge of that duty to purchase his own horse. He purchased his own horse, and later, with some of the natives in that locality, he made a trade, and I imagine, like some horse traders that we have all heard of, it was not a satisfactory trade. In any event, after the organization had left that immediate vicinity, this man, who had traded the horse for Stover's own horse, reported to the military authorities that Stover had gone off with a Government-owned animal. The truth of the matter is that if it was a Government-owned animal, it was an animal that was in this other man's possession, and was traded to Stover for Stover's own horse. Stover knew nothing of this for several months after that, until just before they were mustered out. He was then charged with it, and I believe was found guilty of having in his possession an animal owned by the United States Government. He was sentenced to serve some time, but the sentence was commuted, and he was released from arrest. He went home. He is an honorable citizen and has been resting under this unjust charge all of these years. He simply made a trade with one of the natives with a horse that he owned himself or a horse which might have belonged to the United States Government, and the committee thought in view of his more than three years of honorable service for his country this old man at this time ought to be put on the honor roll.

Mr. FOSTER. So the gentleman thinks in this case it was just as in other cases where one man got the better of another in a horse trade.

Mr. CRAGO. That is all there is to it.

Mr. RAGSDALE. Mr. Chairman, will the gentleman yield?

Mr. CRAGO. Yes.

Mr. RAGSDALE. In other words, this person to whom it is proposed to give relief was guilty merely of receiving stolen goods.

Mr. CRAGO. That is only according to the man who may have got the worst of it in a horse trade.

Mr. RAGSDALE. That is the fact in the case, is it not?

Mr. CRAGO. That is the allegation.

Mr. RAGSDALE. The charge was that he had stolen a horse.

Mr. CRAGO. Yes.

Mr. RAGSDALE. And the difference is that he merely received stolen goods.

Mr. CRAGO. The difference is that he traded for this horse, which may have belonged to the United States Government.

Mr. RAGSDALE. Is it not a fact that it did?

Mr. CRAGO. I am not sure.

Mr. RAGSDALE. Is not that the record? In other words, he could not have stolen the horse at all; but it did belong to the Government.

Mr. CRAGO. He made a trade of his own animal for this animal.

Mr. RAGSDALE. The relief that the gentleman is asking is from the charge of having stolen a horse, when the fact is that he was found in possession of property that did belong to the Government.

Mr. CRAGO. What appealed to the committee was this: Here is an old man 80 years of age, who has given more than three years of service to his country, and all of these years he has been denied any of the financial benefits—

Mr. RAGSDALE. I am not making any question about that. What I am trying to do is to get at the facts. The facts are that the property was the property of the United States Government.

Mr. CRAGO. That was the finding of the court-martial; yes.

Mr. RAGSDALE. The finding was that he got the property of the United States Government.

Mr. CRAGO. Probably that is true.

Mr. RAGSDALE. And the only thing the gentleman is pleading here is that, instead of having gotten it directly from the Government, he received stolen goods that were the property of the Government, although he gave his horse in return for them.

Mr. CRAGO. What Mr. Stover maintains with all the vigor that any man can maintain is that he knew nothing about the ownership of this animal, except that he thought the man with whom he made the trade owned it.



Mr. RAGSDALE. I am just trying to get the facts. He did receive goods that was stolen from the United States Government.

Mr. CRAGO. That was the finding, I suppose, of the court-martial.

Mr. RAGSDALE. And that you are trying to relieve him of.

Mr. CRAGO. Yes.

Mr. RAGSDALE. And the plea put up is that instead of stealing it he received it.

Mr. CRAGO. Not knowing that it was stolen.

Mr. RAGSDALE. The plea the gentleman is making is that instead of stealing it he simply received stolen goods.

Mr. CRAGO. No; there is nothing of that kind.

Mr. RAGSDALE. Why, the gentleman offers by way of justification that he did not know that the horse was stolen.

Mr. CRAGO. That is exactly correct.

Mr. RAGSDALE. Therefore he was receiving stolen goods, and the plea by way of justification is that he did not know it was stolen.

Mr. CRAGO. The court-martial found that the property he received was stolen.

Mr. RAGSDALE. The court-martial found he was receiving stolen goods.

Mr. CRAGO. He admits that he received this, but he does not admit he knew it was the property of the Government.

Mr. ELSTON. Will the gentleman yield?

Mr. CRAGO. I will.

Mr. ELSTON. We will presume the court-martial gave him a trial, and there were witnesses examined and possibly a judgment was had after a full explanation on his part, so far as he could make it. How does he explain that the court-martial made a wrong judgment in the case on the facts?

Mr. CRAGO. That is sometimes a violent assumption in time of war. It is not always true, and a private soldier, even in time of war, has very little chance of defending himself or presenting his side of the case to the court-martial where they consider him technically guilty.

Mr. ELSTON. Did he give an explanation which satisfied the committee that was true?

Mr. CRAGO. The explanation that he gave to me individually was this: That he had this horse, that the organization was preparing to move, and this man had this other horse in his possession—he was a farmer in the locality—that he made this trade in good faith, believing that this other horse belonged to the man with whom he was trading. He was allowed to have this horse by permission of the provost marshal.

Mr. PARKER of New Jersey. Will the gentleman yield for a question?

Mr. CRAGO. Yes.

Mr. PARKER of New Jersey. This was a court-martial during time of war. Did the gentleman have any record of the evidence taken by that court-martial?

Mr. CRAGO. We could not get the evidence.

Mr. PARKER of New Jersey. Had the man ever made any application for relief to Congress, or when did he first do it?

Mr. CRAGO. So far as I know—well, I can not give any answer to that.

Mr. PARKER of New Jersey. Did he make the application before the witnesses were dead who were called before the court-martial, or after they had died?

Mr. CRAGO. We had the affidavit of his comrades as to his service and as to the fact that when this was reported to his company there was not a man who was in the company who believed that this man would be guilty of anything of the kind.

Mr. PARKER of New Jersey. That may be all true; but you did not have any opportunity to go over the court-martial, which always ought to stand unless there is some mistake.

Mr. CRAGO. After all these years it was hard to do that.

Mr. PARKER of New Jersey. Then, after all these years we ought not to entertain a bill—

Mr. CRAGO. One of the things which appealed to the committee was that he had rendered three years of valuable service—

Mr. PARKER of New Jersey. A great many people gave valuable service.

Mr. CRAGO. Mr. Chairman, I ask that the bill be laid aside with a favorable recommendation.

Mr. FOSTER. Mr. Chairman, before that is done, let us have the amendment put on.

Mr. STAFFORD. I would like to ask for recognition—

Mr. CRAGO. If the gentleman will notice, this is the exact form prescribed by the department or suggested, and, if the gentleman will notice, it says "shall hereafter be held and considered to have been honorably discharged." Now, the ruling under that is that prior to the passage of this act and its ap-

proval he is not entitled to any benefits of pension or anything of that kind.

Mr. FOSTER. I do not know; the Military Affairs Committee has been bringing in all kinds of bills—some of them with language in them and some without—and we ought to have some uniformity of bill. If we say that no back pay, bounty, or allowance can be paid from the passage of the act—

Mr. CRAGO. It can not be. That is in another form of a bill.

Mr. HARRISON of Virginia. This last form is what the Secretary of War furnished as being the proper form.

Mr. RAGSDALE. Mr. Chairman, it seems to me, if the gentleman will permit the suggestion, this was a finding of a body of fellow soldiers of Mr. Stover.

Mr. CRAGO. Of officers; yes.

Mr. RAGSDALE. Well, they were fellow soldiers. I believe the gentleman himself was an officer of the Spanish-American War?

Mr. CRAGO. Yes.

Mr. RAGSDALE. Well, officers are soldiers.

Mr. CRAGO. I often went before court-martials and got fellows free from charges when, I think, if I had not appeared they would have been held under the charge of dishonorable conduct.

Mr. RAGSDALE. In other words, the gentleman thinks the tendency of the officers appointed by our Government is to discredit soldiers?

Mr. CRAGO. No; not in all cases; but in some cases very little consideration is given the rights of the individual soldier.

Mr. RAGSDALE. The gentleman thinks men who fought 50 years ago had very little consideration given them by the officers who commanded them?

Mr. CRAGO. That may have been true in certain cases but not in all cases.

Mr. RAGSDALE. Now, this man was tried by his fellow soldiers?

Mr. CRAGO. That is what the record shows.

Mr. RAGSDALE. And the record shows he was found guilty of theft.

Mr. CRAGO. That is the record.

Mr. RAGSDALE. And he is here now after fifty-odd years asking for relief.

Mr. CRAGO. That is a mere matter of argument.

Mr. RAGSDALE. No—

Mr. CRAGO. This is the situation this man finds himself in to-day, and he appeals to us as reasonable human beings after 50 or more years have gone by. This man served for more than three years in the defense of his country, rendered good service—we have letters to the War Department from members of the company who served with him, and not a man of that company believed that this man would be guilty of anything of the kind of which he was charged.

Now, admitting that he was found guilty of having received a horse which his own investigation ought to have shown him was Government property; admitting that he did it, he used it in the Government service. That is all that happened to the animal. Now, technically he may have been guilty. Can not we afford to overlook that matter and put this old man, 80 years of age—

Mr. SLAYDEN. On the pension roll?

Mr. CRAGO. On the pension roll. That is exactly correct.

Mr. RAGSDALE. Will the gentleman pardon me?

Mr. CRAGO. Yes, sir.

Mr. RAGSDALE. The record is that he bought a horse and took it for his own service.

Mr. CRAGO. He bought a horse originally by the permission of the provost officer for his own use. He traded that horse for this horse. This man afterwards alleged—

Mr. RAGSDALE. For his own use?

Mr. CRAGO. In the Government service. He was not a cavalryman.

Mr. RAGSDALE. Where does that appear? That was at the time of his discharge.

Mr. CRAGO. Oh, no; it was while he was in the service.

Mr. RAGSDALE. The record does not show that. It states—

Mr. CRAGO. The record shows that Stover obtained permission from the provost marshal to purchase a horse, which he did, and that the man with whom Stover had traded reported he had gone off with a Government horse. The facts of the case are that he was doing duty which made it convenient for him to be mounted, and he bought a horse at his own expense, and, in continuing this duty, he traded that first horse which he bought for this horse which they afterwards alleged was Government property.

Mr. RAGSDALE. That does not appear in here.

Mr. CRAGO. I am telling you the story that I got from his comrades and himself.

Mr. RAGSDALE. According to the records here, he was permitted to buy a horse; he traded it for another horse, and then he took this horse, which belonged to the United States Government, home with him. His comrades in arms, with whom he served, tried him and convicted him of being a thief. He was convicted, having two years' service.

Mr. SLAYDEN. Penal service?

Mr. RAGSDALE. It does not say. It was remitted, and he served until 1865. This transpired fifty-odd years ago. Now, the gentleman from Pennsylvania [Mr. CRAGO], with that same sort of fairness and desire to protect the common soldier that he referred to this morning when he was a comrade in arms in the last war, I am sure, is led to come forward and ask for consideration for this man. But the question is, What is there to show that this man at that time did not know that he was getting United States property that could not have been shown at that time? And if he could not show it to his comrades in arms at that particular time, and as the country he was fighting for at that particular time was being heavily taxed and he was breaching their trust and carrying their property away, and he was tried and convicted at that particular time, not only with being disloyal to the flag but for a breach of trust, why after 50 years should the man come in, a man of that type, and be put on an honorable footing with the men who were loyal?

Mr. CRAGO. He has paid the penalty for 50 years. He has been kept off the honor roll, and kept from being paid a pension, and if that is not penalty for a man who has served 50 years for his country—and I ask the indulgence of this House agreeing to debate the question of whether or not he should be relieved of the stigma that was passed upon him.

Mr. RAGSDALE. I am willing to debate the question of whether a soldier, wearing the uniform of the United States, who by his own associates in arms was convicted of being a thief, and who stole Government property, should ever enjoy the honorable place that a soldier does who served in the same war and who was never guilty of anything dishonorable.

Mr. CRAGO. A soldier may step aside, as a civilian, and do something that may ruin his record for years and years. I say this, that where these years have passed, and he has borne the stigma all that time, it is not very much of a recompense for the service that man gave to the country at this time for us to come here in his old age and restore him to the honor roll.

Mr. RAGSDALE. I would much prefer to give him money compensation than put him in the same position of the men who deserved the confidence that the Union placed in them and who never betrayed it.

Mr. SLAYDEN. Does the gentleman from Pennsylvania really believe that the records of the War Department—and this does not apply to this particular case, I will say to the gentleman—does the gentleman believe that the records of the War Department should be falsified in the interest of men who deserted?

Mr. CRAGO. We are not changing that feature.

Mr. SLAYDEN. I know you are not, in this particular case. But the gentleman and I have sometimes discussed these so-called charges of desertion, where the records have been made to tell a falsehood and to say that a man was honorably discharged when in point of fact he was dismissed because of the most serious of all military crimes, namely, desertion, and men have been restored purely because they wanted to get a pension and live upon the taxpayers. Here is the case of a man about which I know nothing except that I have heard the facts stated in the discussion by gentlemen here—the case of a soldier who served—

Mr. CRAGO. Yes; he served after the alleged act for which he was tried was committed.

Mr. SLAYDEN. How long did he serve before that?

Mr. CRAGO. About two years.

Mr. SLAYDEN. And then he committed an offense which—

Mr. CRAGO. He denies that he committed an offense. The court found him technically guilty.

Mr. SLAYDEN. Well, they dismissed him for dishonesty, and perhaps because they needed his services they put him back again. Does the gentleman believe that the pension rolls ought to be further padded at the expense of the people by adding the names of men who have been proved guilty, at least, of serious military offenses and personal dishonesty?

Mr. CRAGO. I will say to the gentleman from Texas that of the thousands of cases that have come before our committee we do not favor many of them, but where a case goes to a subcommittee and that subcommittee finds that a man has given one or two or three years' faithful service to the Government, even

admitting that the man did what he is charged with doing, we have taken the position in such cases that such a man ought really to be restored to his rights.

Mr. SLAYDEN. "His rights"? I understood you were proposing it a little while ago on the basis of charity. I do not think he has any "rights."

Mr. CRAGO. I think it is a right. In many cases where courts-martial were justified in acting as they did, in 10 or 15 or 25 years afterwards it is not a very great act of graciousness on the part of the Government in restoring them.

Mr. SLAYDEN. When a man deserts, he forfeits his rights.

Mr. CRAGO. There is no charge of desertion here.

Mr. SLAYDEN. And when a man steals a horse, that is an act of dishonesty.

Mr. CRAGO. With all our facilities for keeping our records, and all our bookkeeping, and the millions of money that we have spent in trying to keep track of affairs in the past year or two, thousands of errors, glaring errors, have been made, not only in the records of the War Department but in orders. I have on my desk a death certificate sent to the parents of a boy who was said to have been killed in France, whereas the boy is in Walter Reed Hospital to-day. I told him he should keep that death certificate as a souvenir. Men are certified by the department as having been killed in action when they are alive and well, and others will be reported as absolutely safe, when they have been killed perhaps 60 or 90 days before; so that these records of the Civil War, like those of the present war, are not perfect records, and every now and then a case occurs where, if the facts were presented to a court-martial, the man concerned would not be declared guilty. I have been out with men who have been away from home for two or three years fighting for their country, and who happened in a moment of forgetfulness to do something that we would not want to see them do, and yet in the main they were good men.

Mr. ELSTON. May I inquire of the gentleman if this man is up in years?

Mr. CRAGO. Yes. He is advanced in years.

Mr. RAGSDALE. Simon F. Smith, who signed the affidavit which is filed by the committee in this case of Jeremiah Stover, was the man himself from whom Jeremiah Stover claimed to get the horse?

Mr. CRAGO. He was the man who received the horse on the Jeremiah Stover trade, but I imagine that he did not receive as good a horse as he thought he was getting, and that is the reason why he reported the case.

Mr. RAGSDALE. But if it was not a fact would he have directed the attention of the Government to the fact that this stolen horse was carried away?

Mr. CRAGO. I am in favor of reporting the bill with the recommendation that it pass.

Mr. RAGSDALE. So that the gentleman's position is that although the court-martial's decision was just, and Jeremiah Stover was a thief and stole this property from the Government, he favors action which would put Jeremiah Stover on the level with those who served under the flag of the Union faithfully, and would put that man on the honor roll at this time along with men who served the flag gallantly and honorably until the Nation had been made one again?

Mr. PARKER of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. CRAGO. Yes.

Mr. PARKER of New Jersey. Does the gentleman know whether or not at that time all Government horses were branded with the letters "U. S."?

Mr. CRAGO. I asked that question of the gentleman, and he said he did not know. I do not know.

Mr. PARKER of New Jersey. I understood they always had the letters "U. S." branded on the Government horses.

Mr. BLANTON. Mr. Chairman, will the gentleman yield for a question?

Mr. CRAGO. Yes.

Mr. BLANTON. The gentleman speaks of incorrect reports being made by the War Department. There is no such thing usually as an incorrect report made in the finding of a court-martial unless it is set aside, is there? The finding of a court-martial is based upon evidence and not merely on such reports as are made ordinarily?

Mr. CRAGO. The court-martial, of course, is a human agency for administering justice.

Mr. BLANTON. Like a court, it is presumed to carry out the law.

Mr. CRAGO. Many findings of courts-martial are such that we would not make them if you and I were on those courts.



Mr. BLANTON. The Congress does not go behind the findings of courts-martial.

Mr. CRAGO. That is the only relief they have—at the hands of Congress.

Mr. BLANTON. But very rarely does Congress go behind the findings of a court-martial.

Mr. CRAGO. I want to give an illustration of how courts-martial are conducted sometimes. I remember the case of a court-martial trying an officer in the Philippines. There were five Regular Army officers on that court and six men who never served in the Regular Army. Those five Regular Army officers were serving with the volunteer forces. When it came to a question of guilt of the captain who was tried—a volunteer officer—every man on the court-martial who had seen service in the Regular Army voted "guilty" and every man who came from the volunteer service voted "not guilty." They stuck to that notwithstanding the court-martial proceedings were sent back three times for revision, by direction of the commanding general, to change the findings.

Mr. BLANTON. The question I am trying to get the gentleman to answer is, Is it not a dangerous precedent for Congress to go behind the court-martial?

Mr. CRAGO. Not 50 or 60 years after it happened.

Mr. BLANTON. The further removed, the more danger there is.

Mr. CRAGO. I hardly think so.

Mr. FIELDS. Will the gentleman yield?

Mr. CRAGO. Yes.

Mr. FIELDS. It is guaranteed to the accused that he will have a fair trial; and if the court-martial knows that there is another tribunal that will review it, it makes a difference.

Mr. BLANTON. Fifty years after?

Mr. CRAGO. My attention has been called to the fact that they went behind the record of the court-martial in the case of Fitz John Porter, and President Garfield was a member of the court-martial and also a Member of the House later.

Mr. SLAYDEN. But the gentleman remembers what Congress did in the case of Fitz John Porter. It was to have the accused retried, and at West Point on the court-martial were three major generals of the Army.

Mr. EMERSON. Will the gentleman yield?

Mr. CRAGO. Yes.

Mr. EMERSON. Is this a case where two soldiers traded horses?

Mr. CRAGO. No; a soldier and a civilian. He found a horse in the hands of a civilian that he liked better, and he traded. After they went away the man charged him with having sold a horse that belonged to the Government.

Mr. EMERSON. Was that in the South or in the North?

Mr. CRAGO. I can not answer the question, but my impression is that it was in the North.

Mr. EMERSON. I did not know that they found them guilty in the South.

Mr. MANN. Mr. Chairman, there were a good many errors in findings by courts-martial during the Civil War; probably there are a good many errors in the findings of courts-martial in the present war. That is not strange when you consider that the War Department itself officially is constantly making errors. I would like to give one illustration of the fallibility of human endeavor as exemplified by the business methods in the War Department. I received a letter the other day from a lady residing in Texas stating that her son was in the Army in France; that before he went he made an allotment of a part of his compensation to her. The War Department, which has charge of it, informs her that they have no record of the allotment. So she has not received any money, but they have deducted the entire amount of the allotment when they went to pay the son. So he has not received the money. The War Department has received no such notice of the allotment when it comes to paying money to the one, but has full notice when it comes to pay money to the other.

Mr. BLANTON. That is an error of some \$100 a month clerk down here in the War-Risk Insurance Bureau who has passed upon the matter without giving it careful investigation.

Mr. MANN. I think the War-Risk Insurance Bureau has nothing to do with it.

Mr. BLANTON. Well, some clerk in the War Department. The error before the House, the error that is claimed, is against the court-martial, which is in effect the judgment of a court. That finding of the court-martial is to be passed on by Members of Congress, who know nothing in the world about the facts, nothing at all about the rules and regulations of the War Department, and it was made 50 years ago in the performance of its duties.

Mr. MANN. I fully appreciate the position of the gentleman from Texas, and yet courts-martial and courts frequently register the opinion of the clerk, who may or may not receive as much as \$100 a month. I do not know whether this was a \$100 clerk in the War Department or not, but I do know that the records, except for the fallibility of human nature, ought not to show, in the War Department or elsewhere, that a certain fact exists for one purpose and does not exist for another purpose.

Mr. SHALLENBERGER. Mr. Chairman, if the gentleman will yield, I call the attention of the gentleman from Texas and the gentleman from Illinois to the fact that during this war there has been a large number of men sentenced to be shot to death by musketry for desertion and the President of the United States has set aside the findings of every one of these courts-martial and the penalty has not been inflicted. So the President has set aside these findings.

Mr. RAGSDALE. Mr. Chairman, in view of the fact that the distinguished gentleman from Illinois, the minority leader, for whom I have profound respect, calls attention to the errors being committed to-day, I suggest that there never was a time when the House ought to be more particular in the findings that condone or encourage those who have been dealing unfairly with the Government. Whatever mistakes have been made by the War Department or in the Army, whatever has been done by any man in this war, certainly this is the time for the American Congress to go on record that where a man in uniform, no matter what his position, has been found guilty of thieving and has been convicted by his associates, his name should not be placed on the roll of honor.

Mr. CRAGO. Mr. Chairman, I move that the bill be laid aside with a favorable recommendation.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. CRAGO. Yes.

Mr. STAFFORD. Does not the gentleman intend to incorporate in this bill the customary proviso about pension and bounty?

Mr. CRAGO. No; that is not necessary. This is the form that is recommended by the Secretary of War to the committee and it does not require that proviso. Where we use the other form that proviso is necessary.

Mr. STAFFORD. Then I desire recognition.

The CHAIRMAN. The Chair will recognize the gentleman from Wisconsin.

Mr. STAFFORD. Mr. Chairman, a distinguished member of the Committee on Military Affairs states that it is not customary to add the proviso that no pension, bounty, or allowance shall accrue prior to the passage of this act. The bill considered just previous to this was a bill in identic phraseology to the bill now before the committee, and that bill contained that proviso.

Mr. CRAGO. It was in the old form, and we changed it to this form. I do not believe the gentleman has the facts clearly before him.

Mr. STAFFORD. Oh, yes; I have. I direct the gentleman's attention to the bill introduced by the gentleman from Connecticut [Mr. TILSON], which has just been considered.

Mr. CRAGO. Will it be satisfactory to the gentleman if we put that amendment on?

Mr. STAFFORD. We ought to take that precaution, at least.

Mr. CRAGO. Very well. Mr. Chairman, I move that the language "provided that no pension, bounty, or allowances shall accrue prior to the passage of this act" be added to the end on this bill.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRAGO: After line 11, after the word "sixty-five," add the words:  
"Provided, That no pension, bounty, or allowances shall accrue prior to the passage of this act."

The CHAIRMAN. The question is on agreeing to this amendment.

The amendment was agreed to.

Mr. CRAGO. Mr. Chairman, I move that the bill as amended be laid aside with a favorable recommendation.

The question was taken.

Mr. RAGSDALE. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from South Carolina makes the point of order that there is no quorum present. The Chair will count.

Mr. RAGSDALE (interrupting the count). Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The gentleman from South Carolina withdraws the point of order. The question is on the motion of the gentleman from Pennsylvania that the bill as amended be laid aside with a favorable recommendation.

The motion was agreed to.

CLEMENT H. COLE.

The next business on the Private Calendar was the bill (H. R. 3090) for the relief of Clement H. Cole.

The Clerk read the bill, as follows:

*Be it enacted, etc.,* That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Clement H. Cole, who was a private in Company H, Fifty-eighth Regiment Pennsylvania Volunteer Infantry, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a private of said company and regiment on the 5th day of November, 1864.

Mr. CRAGO. Mr. Chairman, in order to comply with the request of the gentleman from Wisconsin [Mr. STAFFORD], I move that the amendment be inserted at the end of the bill, as in the previous bill.

The CHAIRMAN. The Clerk has the language at the desk and will report the amendment offered by the gentleman from Pennsylvania.

The Clerk read as follows:

Mr. CRAGO moves to amend, on page 1, line 10, after the word "sixty-four," by inserting the following:  
"Provided, That no pension, bounty, or allowances shall accrue prior to the passage of this act."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CRAGO. Mr. Chairman, if there is no explanation desired of this bill, I shall move that it be laid aside with a favorable recommendation.

Mr. STAFFORD. Mr. Chairman, I think we ought to have some statements of the bill.

Mr. CRAGO. Mr. Chairman, the facts in the case are these: This old gentleman, 80 years old, lives up in the northern part of Pennsylvania. He served for two years and nine months and four days in the Army. He became ill. He was in a hospital for a time, and was then given a furlough of 35 days. He was suffering at that time from chronic diarrhea, which, of course, was the curse of the Army. He returned to the home of Mrs. Adeline Metcalf, at Port Allegany, Pa., which is at the headwaters of the Allegheny River of Pennsylvania, practically on the New York State line. He made his home there, having none of his own. He was unable to leave his bed for many months. There does not appear to be any doubt of the facts. The soldier suffered from chronic diarrhea for from 18 months to two years after reaching home. We have the affidavits of the attending physicians. He was wholly disabled for military duty. There is evidence that the soldier stands well in his community, and that he has served five terms as a justice of the peace. The committee thought it to be one of the cases that was deserving of consideration. I therefore move that the bill be laid aside with a favorable recommendation.

Mr. PARKER of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. CRAGO. Yes.

Mr. PARKER of New Jersey. Mr. Chairman, this is one of the cases where a man states that he was sick and went home on a furlough and then overstayed his furlough. When I was a member of the Committee on Military Affairs my friend, Mr. Bishop, who served in the Civil War and who lost his arm there, would have nothing to do with such a case. He said: Did the soldier ask for his pay; did he report where he was; did he send a letter saying where he was? If he did and if he were well, he would have been taken to camp. If he were sick, he would have been given a discharge because of illness, if his illness was incurable. He would have been given his pay if he was not shirking. Mr. Bishop used to say, for he would have written for his pay and reported where he was, and the thing would have been settled at that time. I learned from Mr. Bishop, with whom I served on the subcommittee, never to vote for a case where a man said he went home sick and stayed home sick and was not able to get back unless the man had reported where he was.

Mr. CRAGO. Mr. Chairman, I will just say to the gentleman that this case comes within the cases where it was decided where a man had had honorable service for two years or more he should receive consideration, even though he did not do what a reasonable man should have done in making his whereabouts known.

Communication was not easy 50 years ago, and these men did not know often where to report their whereabouts. This man had gone home sick. The evidence is undisputed by those who attended him. These affidavits, I would say, were made

quite a number of years ago, but they are on record in the War Department, and they show that from 18 months to 2 years after he went home, long after the close of the war, that he was not fit for military duty.

Mr. PARKER of New Jersey. Will the gentleman permit a question?

Mr. CRAGO. I will.

Mr. PARKER of New Jersey. The gentleman says he did not know to whom to report?

Mr. CRAGO. Many of these men did not.

Mr. PARKER of New Jersey. Does not the gentleman know there were provost marshals in every district of the whole United States looking after fellows who were out of the ranks, and all he had to do was to report, and he would either have been returned to the ranks or else he would have been sent to the hospital or else discharged? It is not a man's business to come to Congress 50 years afterwards—

Mr. CRAGO. We are not passing a strict judgment in this matter. We are simply trying to do what we think is an act of justice on the part of the Government after all these years in view of the man's honorable service in the Army.

Mr. RAGSDALE. Will the gentleman yield for a question?

Mr. CRAGO. I will.

Mr. RAGSDALE. If one of the young men who enlisted from the gentleman's own district, who had been conscripted and had gone into the service under the flag in the great war we have just won, had deserted under a condition like this, would the gentleman at this time want him reinstated on the roll of honor?

Mr. CRAGO. I will say to the gentleman if I am spared to be here to plead for him 50 years from now I will do so very gladly.

Mr. RAGSDALE. I am not talking about the future, I am asking the gentleman, when the boys come back who have done so nobly over across the seas, where they have undergone everything that they have been called upon to bear, where they have won battles the like of which were never seen before, if a man had deserted and left them there to die and suffer as they have, the men who have been left in the ranks to undergo all they have, does the gentleman think a deserter who left them there ought to have the same place in the affections of the people of this country and on the rolls of honor of this country as the men who stayed?

Mr. CRAGO. No; but I do say if some innocent country boy got away from his command and was sick and in the hospital, and did not properly report where he was and his whereabouts to the War Department, and the War Department on the records recommend the giving of a dishonorable discharge, I am contending he ought to have an honorable discharge when his comrades know he is no deserter.

Mr. RAGSDALE. Does not the gentleman know at this particular time they are not asking the consideration of any boys, nor will they do it in this Congress, because the Secretary of War has asked that no bill of any kind relieving desertion should be reported since October 15, because of the effect on the boys who are now in the service?

Mr. CRAGO. I do not know anything of that kind.

Mr. RAGSDALE. The Secretary of War has not addressed a communication to your committee asking you not to bring in bills for the relief of desertion since October 15?

Mr. HARRISON of Virginia. Mr. Chairman, I would like to make a statement to this effect, that several of these desertion bills were submitted to the War Department for report thereon in accordance with the custom of the committee; that the Secretary of War or the Assistant Secretary of War—well, both the Secretary of War and the Assistant Secretary of War—recommended that the committee should not favorably report that particular bill, because at this present time—at the time he wrote—he did not think there ought to be any condonation of desertion cases.

Mr. McKENZIE. I would like to ask my colleague if it is not true the Committee on Military Affairs of this Congress, and especially this session or the last session, has declined to report any desertion bill or take up any new cases, and that all of these cases on the calendar are simply bills that have been reported and most of them passed in the last Congress?

Mr. CRAGO. That is true.

Mr. HARRISON of Virginia. I would like to add I happen to be chairman of this subcommittee before which these desertion cases come, and the cases that are now on this calendar are cases that have been previously reported in former Congresses and in many cases they passed the House, were favorably reported by the Senate, but died in the Senate because they could not be reached on the calendar.



Mr. McKENZIE. If the gentleman will allow me one question for the benefit of my friend from South Carolina, is it not a fact that the Committee on Military Affairs have consistently refused to report any bill where the evidence indicated that the soldier deserted from the Army under fire or when a battle was imminent?

Mr. CRAGO. Yes; or if it was willful desertion.

Mr. RAGSDALE. I am going on the record, and the record states that the Government was sufficiently considerate of this man to give him 35 days' furlough, that he left there and never came back; the showing is that he never returned, nor is there any showing that he made any effort to return, nor was there any effort made by him to advise anybody of his whereabouts; and the question now before this body is, Was desertion fifty-odd years ago a penal offense? Was it a threat against the flag? Was it a danger to the United States? If it was then, is it not now? He deserted fifty-odd years ago at a period of time when the very preservation of the Union was threatened to be set aside, and I wonder, if Benedict Arnold could come on the floor of this House and have our illustrious friend from Pennsylvania to help him, would we receive and reinstate him in the affections of the American people and put him upon our roll of honor?

Mr. Chairman, if the gentleman will permit me—

Mr. CRAGO. The gentleman is making quite a speech.

Mr. RAGSDALE. It seems to me there ought never to have been a time nor should there ever be a time when the men who fought for the flag should ever cease to be properly venerated. There ought never to be a time when those who deserted, those who left their comrades in arms in places of danger and exposed them to death ought to receive the same commendation at the hands of this Congress or of the American people as those who stuck by their guns until the end was in sight.

Mr. CRAGO. Mr. Speaker, in answer to the eloquent argument of the gentleman from South Carolina [Mr. RAGSDALE] I simply want to say this, that if one of these boys over in France, even though he may never have seen more than three months, or six months, or one year of service, should be sent home sick and should fail to report to his commanding officer and in innocence of what was required of him as a soldier should remain at home ill, I know there is no question of what the Congress would do in righting that man's record. And I am proud to say, after we have made an investigation of these cases, that I am doing what I can to help personally all these old men, who for one year, two years, or three years fought for this Union, and technically committed some error. I am willing to help them in the last years of their lives to join their comrades in the Grand Army of the Republic, and to acknowledge that they paid a bigger price than many men pay who fight their cause here in Congress.

Mr. FIELDS. Mr. Chairman, I have given a good deal of thought to cases of this character, having been on the Military Affairs Committee for some time and for a while chairman of the committee on desertions. There are a number of cases where men are charged with desertion where the evidence and the records of the case fail to show that there was ever any intent on the part of the man to desert. Now, we all realize, as the gentleman from Pennsylvania [Mr. CRAGO] said a moment ago, that means of communication were not good during the days of the Civil War. The gentleman from New Jersey [Mr. PARKER] asked why the man did not report to the provost marshal. Why, probably he was 50, possibly 100 miles away from the provost marshal at that time. Men in many instances were captured or were confined to hospitals or were left sick by the roadside.

Mr. RAGSDALE. Will the gentleman permit an interruption?

Mr. FIELDS. Not just now. Men who lived in that day know how difficult, and not only difficult but impossible, it was for men to go single handed and alone and reach their commands after their recovery or after their release or escape from prison.

Mr. NORTON. Will the gentleman yield?

Mr. FIELDS. Not just now, with all courtesy.

I have in mind a case where a man enlisted and served for two years. He was captured in the Battle of Richmond. He was kept in prison for seven months. He escaped from prison by some means that I do not now recall. The day following his escape from prison he enlisted in another organization, being informed that his own organization was at that time in Texas. He had been detained somewhere in Kentucky. Does it stand to reason that that man could reach his organization in Texas? Would any reasonable man on the floor of this House or anywhere else charge him with desertion because of his failure to reach his organization, which was then reported in Texas? He probably should have reported to the proper military authorities and gotten a new assignment. But we can understand how

easy it is for men who are gathered up here and there, who never had any military service or military training, and probably are illiterate, to fail to understand their duties. But the man did the best thing he knew to do. He enlisted in another organization and served until the end of the war, engaged in four or five battles, and was given an honorable discharge. Yet years afterwards when he applied for a pension he was notified by the War Department or by the Pension Bureau that he was a deserter, and the charge of desertion stands against him to-day.

There are many cases along that line, and I feel that the most cruel thing that the Government can do is to call to its service a patriotic man and after months or probably years of service, because of some circumstances for which he is not responsible, he is separated from the service to then charge him with desertion. I have no patience with a willful deserter. I have no sympathy for him. But I say to you that the Government had better pension 99 deserters than to charge 1 innocent man who served his country faithfully with desertion when he did not desert. It is, as I have said, the most cruel thing, to my mind, that the Government of the United States could do. And the officials of the War Department should be careful, and Congress should not consider its functions of too great importance to review these cases. Because it is upon that spirit, the spirit of patriotism, that these men show when they go to war, that the safety and perpetuity of the Republic depends, and it should be protected in the individual the same as in the public at large.

Mr. RAGSDALE. Will the gentleman permit an interruption?

Mr. FIELDS. Yes.

Mr. RAGSDALE. Was not the gentleman very eloquent on the floor and very active the other day in an endeavor to get through a bill here which denied any consideration to deserters? Why, did not the gentleman try to vacate a vote here on the floor this very week because of the fact that some benefits might accrue to somebody that might be charged with desertion?

Mr. FIELDS. Not at all.

Mr. RAGSDALE. What is the reason the gentleman asked for the vacating of that vote?

Mr. FIELDS. I am glad the gentleman asked that question. A vote was had here the other day on a bill, which a good many gentlemen voted against because the words "honorably discharged" had been stricken out of it through mistake, between the gentleman who offered the amendment and the Clerk at the desk. That did not worry me. The bill had to go to the Senate and to conference. I will say to the gentleman that had the words not been restored I, as one of the conferees, should I be one of them, would see to it that the words were restored in conference. And I think I would have no trouble in doing that, because I think every conferee would have been willing for the restoration of the words. So that was no reason in my mind for voting against the bill, though many men voted against it who had probably not thought of that phase of it after the record vote was had on the bill. I asked unanimous consent to restore the language to the bill and then vacate the roll call to prevent putting men on this floor in a false position.

I think that the gentleman from South Carolina should have been fair enough to have agreed for the roll call to be vacated. I want to say to the gentleman from South Carolina that I never found pleasure—and I hope I may never find pleasure—in taking advantage of men on the floor of this House and attempting to put them in false positions before the country because of some unfortunate position that has arisen here. I was not in that position. I voted for the bill, but men who had voted against it because those words were left out of the bill were not given a fair deal, and the gentleman from South Carolina was not fair in his objection to the vacation of the roll call. It did not mean anything to me. It was not worth anything to me to vacate the roll call, but in a spirit of fairness to the men who had voted against the bill because those words had been omitted.

Mr. RAGSDALE. Mr. Chairman—

Mr. CRAGO. I yield to the gentleman from South Carolina.

Mr. RAGSDALE. Mr. Chairman, I may be unfair, but if I am unfair to men it will be while they are on the floor of the House, and it will not be afterwards. I understood from the gentleman from Kentucky that the matter would not be taken again on the floor that day.

Mr. FIELDS. Mr. Chairman, will the gentleman yield?

Mr. RAGSDALE. Yes; I will deal a little more fairly with the gentleman than he did with me. He declined to yield to me.

Mr. FIELDS. I will say to the gentleman that I had no such agreement as that with the gentleman from South Carolina.

Mr. RAGSDALE. Mr. Chairman, the gentleman from New York [Mr. DONOVAN] was sitting right by me, and he heard what transpired, and at no request of mine, but because he understood from the conversation between the gentleman from

Kentucky and myself that I was under the impression that the motion would not be made to vacate in my absence from the Chamber, he objected and prevented the gentleman from Kentucky from succeeding in vacating the motion.

Now, Mr. Chairman, I think those who have served with me here during the period of time that I have been here know whether or not I have been fair. They know whether or not I have brought sectionalism into the discussions or attempted to arouse any party strife here, or to do those things on the floor of this House that ill become a Member of this House. I have stood here trying not to injure the good name of any Member of this House, nor have I tried to do those things that would create animosity or unkindly feeling between Members. I am sorry that the gentleman from Kentucky should come on the floor of the House and charge me with being unfair merely because I, as a representative of the people who have sent me here, objected to the use by him of a motion to vacate a roll in the House. If I have to defer to him, if I must give up my right to object to the undoing of things that have been done in the RECORD in order to maintain his good will, Mr. Chairman, then, great as the loss must be to me, irreparable as the injury is that I must suffer, I am sorry that I shall have to go from this body with that great loss, for which nothing else can recompense me.

Mr. CRAGO. I yield five minutes to the gentleman from Kentucky [Mr. FIELDS].

The CHAIRMAN. The gentleman from Kentucky is recognized for five minutes.

Mr. FIELDS. Mr. Chairman and gentlemen of the House, I should not reply to the gentleman from South Carolina [Mr. RAGSDALE] had he not charged or intimated that I had an agreement with him that I would submit a request for unanimous consent in his absence.

Mr. RAGSDALE. Mr. Chairman, will the gentleman permit an interruption?

Mr. FIELDS. Yes.

Mr. RAGSDALE. I did not make any such statement, Mr. Chairman. What I stated was that I had a conversation, and that a listener thought from the conversation that took place that I was under the impression that the motion would not be renewed. Mr. DONOVAN, of New York, made that statement to me.

Mr. FIELDS. I asked unanimous consent to vacate the roll call, and the gentleman objected. I spoke to him over there, or over here, and asked him not to object. I told him that it was only fair to the membership that the roll call be vacated, and he said that he was unwilling that it should be vacated, and later in the day I asked unanimous consent again. I did not say to the gentleman nor did I intimate to him that I would not renew my request that the roll call be vacated. If I had said to the gentleman that it was over for the day, I will say to him now that I would not have asked it at a later time. But I made no such statement to the gentleman, nor did I say anything to him in the conversation from which any man could draw the inference that I intended not to call up or ask for the unanimous consent during his absence. It is true that the gentleman was not on the floor when I made the request the last time, and I will say, Mr. Chairman, that it is so much easier to transact and expedite business in the absence of the gentleman from South Carolina than it is in his presence that no man could be blamed for submitting his request during the absence of the gentleman. If he wanted to object to it, he should have stayed here.

Mr. BURNETT. Mr. Chairman, I just rose for the purpose of expressing the hope that the gentlemen will not delay legislation by settling their grievances here when the Private Calendar, that we so seldom get an opportunity to take up, is under consideration. For the Lord's sake, let us get along with this important business.

Mr. CRAGO. Mr. Chairman, I yield to the gentleman from Ohio [Mr. LONGWORTH].

The CHAIRMAN. The gentleman from Ohio is recognized.

Mr. LONGWORTH. Mr. Chairman, I merely desire to ask the gentleman a question relating to the policy of the committee on this class of cases, in order that I may intelligently answer men who occasionally ask me to introduce such bills as these. My recollection is that in the first 10 years of my service in this House it was the invariable rule of the Committee on Military Affairs to report none of these bills under any circumstances. I am not quite clear what the policy after 1914, when I came back to this House, has been. I would like to ask the gentleman what the policy of the committee has been and what it will be in the future in regard to desertion cases.

Mr. CRAGO. I explained to the House the procedure of the committee. All bills are referred to a subcommittee. If the

bill meets with the unanimous approval of the subcommittee it is reported back to the full committee, and if the full committee unanimously agrees to it some one is appointed to make a report. This class of cases has received favorable consideration, and they are cases where the man has had a year and a half or two or three years honorable service. There have been hundreds and hundreds of cases where sympathy dictated relief, but the committee did not think they were justified in giving relief.

Mr. LONGWORTH. Is that to be the policy in the future? I understood the gentleman from Virginia to say that such cases would not ordinarily be considered.

Mr. CRAGO. That is true during the period of the war. We were not considering desertion cases during the war, for fear it might have some effect on the morale of the soldiers.

Mr. HARRISON of Virginia. I understood that was to be the settled policy of the committee.

Mr. CRAGO. These are all bills considered one or two years ago.

Mr. HARRISON of Virginia. This question of desertion cases does not seem to be a new question at all with the subcommittee. Hundreds of cases passed by Congress gave relief to men who had been charged with desertion, and it did not seem to be right that any distinction should be made between men that became entitled to it virtually under the same circumstances. And so our committee has been reporting these cases of desertion where there were equitable grounds, although the men may have been shown to have had an honest service for two or three years. But when these cases were sent to the Secretary of War, as all these cases are, the Secretary of War made the request that there should be no further reports made on cases of this character. I prepared a letter and sent them to gentlemen interested in these cases.

Mr. LONGWORTH. Then it will be correct to say that now it is the policy of the committee to report no desertion cases?

Mr. HARRISON of Virginia. That is the standing policy of the committee.

Mr. CRAGO. Mr. Chairman, I move that the bill be reported to the House with a favorable recommendation.

The motion was agreed to.

MARSHALL M. POOL.

The next business on the Private Calendar was the bill (H. R. 2492) to establish the military record of Marshall M. Pool.

The Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of War be, and he is hereby, authorized and directed to cause the name of Marshall M. Pool to be entered on the muster roll of the United States Army as captain of Illinois Volunteers under date of August 25, 1864, and to issue to said Marshall M. Pool an honorable discharge as captain of Illinois Volunteers and as aid-de-camp on the staff of Bvt. Maj. Gen. James H. Wilson, under date of April 23, 1865.

Mr. CRAGO. Mr. Chairman, the gentleman from Illinois [Mr. MANN], who introduced the bill, knows all about the personality of Mr. Pool. The thing that struck me forcibly as a member of the subcommittee on this bill was a letter from Gen. James H. Wilson. Gen. Wilson, as you all know, is probably one of the greatest living officers of the Civil War. He was also an officer in the Spanish-American War. He is said to have been probably the greatest engineer officer in the Civil War and has written one of the most interesting histories, not only of the Civil War but later of the Spanish-American War. He organized for the Army of the Potomac the Cavalry branch of the Army, and it is on the strength of that letter certifying to the services of Marshall M. Pool, reading between the lines, that I would take it for granted that Mr. Pool was a young man, who, in his eagerness to serve the Nation, did not go through the formality of securing a commission in the Federal Army. He was, however, commissioned by the governor of the State of Illinois and was ordered to report for duty at the headquarters of the military division of the Mississippi at Nashville, Tenn., and he did so report. Transportation was furnished him by the Army for two horses and one servant. Gen. Wilson certifies that he served on his staff in the month of November, 1864, as aid-de-camp. He participated in the Cavalry operations against Hood's army from that date until Hood was expelled from Middle Tennessee.

Capt. Pool then continued on my staff at the Cavalry camp of instruction at Gravelly Springs, Ala., till about the 20th of March, 1865, when operations began against Selma, Montgomery, West Point, and Macon, Ga. He participated in all the marching and fighting that was done during that campaign, ending in the capture of Jefferson Davis and various members of his cabinet. Capt. Pool left my staff about the 1st of May, 1865, when the war was entirely ended, and returned to his home in Illinois.

That in brief is about the service of Capt. Pool on the staff of Gen. Wilson, one of the most distinguished officers of the Civil War. Your committee thought it was only just and



proper that he should be given a discharge from the service, having served as an officer of the United States Army.

Mr. STAFFORD. Will the gentleman yield?

Mr. CRAGO. Yes.

Mr. STAFFORD. Can the gentleman inform the committee whether there are many instances of persons commissioned by the governors of the respective States who joined the Federal service but did not enlist in the Federal Army, similar to the case of Capt. Poole?

Mr. CRAGO. I have known of other cases where they have been given commissions later.

Mr. STAFFORD. What reason can the gentleman give for Mr. Poole not enlisting in the Regular Army but retaining a commission from the governor?

Mr. CRAGO. At that time not enough attention was given to the technical position in which it placed them. The governors of the States commissioned men to serve in the Federal Army and commissioned them as officers of the volunteer forces in those States.

Even as late as the Spanish-American War commissions issued to volunteer troops in that war were issued by the governors of States for Federal service, and men were simply mustered into the service of the United States by the officers of the company, and the entire company lining up and taking the oath of allegiance to the United States. This young man was commissioned just the same as any other officer, but he was assigned staff duty, and the matter of being mustered in had probably been overlooked, because he was not with any organization. If he had been with the First Illinois or any other organization, he would have gone out and held up his hand and been mustered in, and that would have been his commission, because the only one he would have would be the commission from the governor of the State. Not having been mustered in, he is not on the muster rolls of the Federal Government, but he did this service, and it is certified to by Gen. Wilson, and I think is deserving of consideration.

Mr. STAFFORD. He joined the Federal forces rather late in the war.

Mr. CRAGO. Yes; he was a very young man, and his father furnished him with his outfit, horses, and everything.

Mr. STAFFORD. I wish to inquire whether under the phraseology of this bill he will be entitled to a pension dating back to 1865.

Mr. MANN. Oh, no; because no back pensions ever date prior to the date of application.

Mr. STAFFORD. By this bill granting him an honorable discharge as captain of Illinois Volunteers, under date of April 23, 1865—

Mr. MANN. He is entitled to pay and they recommend that he be allowed pay for the time he served.

Mr. STAFFORD. I am more concerned about whether he would have a claim against the Government for a pension.

Mr. MANN. He would not have any claim.

Mr. FOSTER. Has he ever applied for a pension?

Mr. CRAGO. No.

Mr. MANN. If he has, it is not known to me. He would not have had any status for a pension.

Mr. FOSTER. Suppose he had made application for a pension and we should pass this legislation, what then?

Mr. MANN. This would not give it to him. I am not in favor of granting him back pension.

Mr. STAFFORD. No one would be in favor of granting him a pension to date back to 1865 under any circumstances.

Mr. MANN. I move that the bill be laid aside with a favorable recommendation.

The motion was agreed to.

MAJ. CHALMERS G. HALL.

The next business on the Private Calendar was the bill (S. 3299) authorizing the President to reappoint Maj. Chalmers G. Hall, retired, to the active list of the Army.

Mr. CRAGO. Mr. Chairman, the facts in this case have left me just at the present time; but I want to call the attention of the House to the communication from the present Secretary of War dated January 17, 1918, in which he finds that Maj. Hall was not given a fair chance when he was mustered out of the Army. It seems that he had been sick and an operation had been performed upon him, and before he had recovered from that operation, which was performed by a medical officer of the Army, he was mustered out because of physical disability. I quote from the letter of the Secretary of War:

Maj. Hall protested against retirement and requested a delay of six months, to be then again examined to determine his fitness for promotion. This was denied him, but he was assured that if he fully recovered he could be returned to the active list under the law. The application of the law as applied to field officers had expired March 5, 1917.

Maj. Hall accepted the action of the board under this misapprehension, and having recovered from his physical disability it seems evident that the retiring board erred in its findings of permanent disability. Maj. Hall was examined January 14 by a board of medical officers and was found physically fit to return to the active list. In view of these circumstances I recommend the passage of this bill.

Very respectfully, yours,

NEWTON D. BAKER, Secretary of War.

In view of these circumstances, we think he is entitled to consideration.

Mr. MANN. When was he retired?

Mr. CRAGO. Some time in the year 1916.

Mr. MANN. Is he in the Army now?

Mr. CRAGO. I can not answer that. I will say frankly to the gentleman that the status of this gentleman has slipped my mind. I did not know this matter was coming up to-day.

Mr. MANN. Of course, he would have had an opportunity to get back during this war.

Mr. CRAGO. And I have no doubt that he did.

Mr. MANN. If he did, is it necessary to enact this legislation?

Mr. CRAGO. I would say, to put him back regularly, it is. Under this recommendation made in January, 1918, I think we ought to take action, because if he did go in, he would go in simply as a volunteer officer and would be mustered out. They have no authority to keep in men except Regular Army men, and this would put him in a position so that he could take his status as a Regular Army officer.

Mr. MANN. Here is what was in my mind. I do not see any objection to passing this bill if war had not occurred; but if he did not get back in the Army, to put him back now in the rank he would have had if he had remained in the Army, with the very large promotions, would not be right, I think. I do not know that it would give him anything above a colonel. Plainly it ought not to give him anything except an automatic promotion.

Mr. CRAGO. I suggest that it might be well to let this bill go through, and then we could thoroughly investigate matters before it was taken up in the Senate, before any action was taken upon it. I will say frankly that I do not know this, but I shall endeavor to find it out.

Mr. MANN. The gentleman will not have any control. Maj. Hall, if he is around, will look after it himself. I am not going to object.

Mr. GREENE of Vermont. The gentleman from Illinois will remember we did in some Army bill some years ago make a provision returning to the active list officers retired if they were fit to return, but there was a date put upon it.

Mr. MANN. I have no objection to letting him go back into the Army, even if we do not need him as an officer. I take it we do not, if he went in the Army during the war. If he declined to go into the Army during the war, it does not seem to me he ought to be retired now and give him the rank that he would have had if he had remained in the Army from the beginning.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read as follows:

*Be it enacted, etc.,* That the President is hereby authorized to reappoint to the Cavalry Arm as an extra number, with such rank as he would have had if he had never been retired, Maj. Chalmers G. Hall, of the United States Army, retired.

Mr. CRAGO. Mr. Chairman, I move that the bill be laid aside, to be reported to the House with a favorable recommendation.

The motion was agreed to.

JENNIE M. HEATH.

The next business in order on the Private Calendar was the bill (H. R. 10225) striking from the pension roll the name of Jennie M. Heath.

The Clerk read as follows:

*Be it enacted, etc.,* That the Secretary of the Interior be, and he is hereby, authorized and directed to strike from the pension roll the name of Jennie M. Heath, helpless and dependent child of Charles E. Heath, late of Company G, First Regiment Minnesota Volunteer Infantry, who is now pensioned by special act of Congress approved August 7, 1914.

Mr. STAFFORD. Mr. Chairman, I think some little mention should be made of this unprecedented bill in the history of legislation in the Congress. I do not recall in my 14 years of service where we have ever separated any person from the pension roll of the Government. Here is a case, an exceptional case, one that will go down in the history as a cause célèbre, perhaps, where the Committee on Invalid Pensions recommends the separation of a pensioner who lately became married to a rich person. I suppose if the pension rolls were examined there would be many similar instances where pensions are payable to persons after their pensionable status is removed. I move, if there is no member of the Committee on Invalid Pensions who desires to do so, that the bill be laid aside with a favorable recommendation.

The motion was agreed to.

THOMAS J. ROSE.

The next business in order on the Private Calendar was the bill (H. R. 925) for the relief of Thomas J. Rose.

The Clerk read as follows:

*Be it enacted, etc.,* That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Thomas J. Rose, who was a private in Company H, Sixth Pennsylvania Volunteer Infantry, and a private in Company H, Forty-eighth Pennsylvania Volunteer Infantry, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a private of Company H, Forty-eighth Pennsylvania Volunteer Infantry, on the 11th day of November, 1862.

Mr. CRAGO. Mr. Chairman, in view of the remarks which have already been made concerning the other bills, I move you that the usual proviso be inserted at the end of the bill.

Mr. STAFFORD. Before the gentleman moves the amendment and general debate is terminated thereby, I rise for recognition. I do not wish, however, to take the gentleman off of the floor.

The CHAIRMAN. Does the gentleman yield to the gentleman?

Mr. CRAGO. I will gladly yield to the gentleman.

Mr. STAFFORD. I may be misinformed about this case, but the report, as I read it, shows that this soldier was pronounced fit for duty on November 11, 1862, and yet at that time he left the service. I understood from the statement of the gentleman from Virginia that it was the policy of the committee that they would not recommend any bills where the soldier left the service and really was a deserter.

Mr. CRAGO. The gentleman will notice, if he goes into this further, that what we are trying to help out here is really the supplementary service. If the gentleman will let me explain the bill, I will make my motion to amend a little bit later. This soldier did enlist in 1861 and served until September 9, 1862, having been reported in the meantime or pronounced fit for duty. The testimony shows that this soldier suffered with the disease for which he had been treated. He went to Pittsburgh, Pa., to visit a sister, and after partially recovering from said disability enlisted in the Navy at Pittsburgh, Pa., on August 25, 1864, for service on the Mississippi Squadron. The fact of his naval service is borne out by the records of the Navy Department, as follows:

That Thomas J. Rose enlisted in the United States Navy at Pittsburgh, Pa., August 25, 1864, to serve one year; served on the *Grampus*, *Great Western*, and *Volunteer*, and was discharged August 1, 1865, at Mound City, Ill.

So the two services combined make a good and faithful service of more than two years and a half. After his discharge from the service he went to Pittsburgh, and never went through the formality of securing an honorable discharge, but thought that since he was reinstated in the Navy that that would cure everything. The record has stood on that basis up to the present time. Now, I simply want to call attention to the fact that crept into this report from the correspondence that we have, and that is, namely, that the only brother of this soldier—George W. Rose—lost an arm at Antietam; that his father, Daniel Rose, was wounded in the Battle of the Wilderness; and that his mother, Susanna Rose, was a nurse in the Harewood General Hospital, Washington, D. C. This old gentleman has been an honored resident in the district represented to-day in Congress from our State by Mr. HEATON, of Pennsylvania, all these years, and we thought it was only a simple act of justice for the Government to give this man credit for those two services. He has an honorable discharge from the last service, and he wants to connect up the two of them. I, therefore, move to amend by adding the usual proviso at the end of the bill.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 1, line 12, after the word "sixty-two" insert "Provided, That no pension, bounty, or allowances shall accrue prior to the passage of this act."

The amendment was agreed to.

Mr. CRAGO. Mr. Chairman, I move that the bill be laid aside with a favorable recommendation.

The motion was agreed to.

MARY J. LACEY.

The next bill in order on the Private Calendar was the bill (H. R. 8856) for the relief of Mary J. Lacey.

The bill was read as follows:

*Be it enacted, etc.,* That Mary J. Lacey, mother of William A. Stewart, late private, Company E, Fifth Regiment Maryland National Guard Infantry, who died on October 4, 1916, at Indio Ranch, El Paso, Tex., while in the service of the United States, shall be regarded as the duly designated beneficiary of the late Pvt. William A. Stewart, under the act approved May 11, 1908, as amended by the act approved March 3, 1909.

Mr. COADY. Mr. Chairman, I move that this bill be reported back to the House with the recommendation that it do pass.

The CHAIRMAN. The gentleman from Maryland moves that the bill (H. R. 8856) be reported back to the House with the recommendation that it do pass.

The motion was agreed to.

THOMAS G. ALLEN.

The next bill in order on the Private Calendar was the bill (H. R. 4610) to compensate Thomas G. Allen for injuries received while employed in the General Land Office of the United States and making an appropriation therefor.

The bill was read as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas G. Allen the sum of \$3,000 for injuries received while employed in the United States General Land Office, Washington, D. C., December 27, 1915.

Also the following committee amendment was read:

Committee amendment: Page 1, line 6, strike out "\$3,000" and insert "\$1,000 in full settlement of all claims against the Government."

Mr. STAFFORD. Mr. Chairman, I wish to be recognized in opposition to the bill. Unless the gentleman wishes to take the floor I will withhold asking for recognition at present.

Mr. STEPHENS of Mississippi. Mr. Speaker, I would like to make a statement. This bill is for the relief of Thomas G. Allen, who was employed in the General Land Office of the United States. It seems while Mr. Allen was working in the line of his duty that some heavy bookcases, containing some large books, fell upon him. He was entirely covered up by this mass of stuff, and it required the work of about 15 persons for 30 minutes to remove the debris from him and take him out from under the things that had fallen upon him. Mr. Allen was in the hospital two or three months, and was considered to be in rather a serious condition. After two or three months he was discharged and returned to work.

I have seen this gentleman recently. This accident occurred about three years ago this month. He is still in an enfeebled condition, claims that he suffers very much from the injuries received on that occasion. He was receiving at the time the sum of \$1,000. The bill provided that he should be paid the sum of \$3,000, but the committee, after considering the matter, amended it by providing the payment of \$1,000 in full settlement of all claims. That amounts to one year's salary. We feel under all the circumstances that this gentleman should be allowed that sum.

Mr. McLAUGHLIN of Michigan. Will the gentleman yield?

Mr. STEPHENS of Mississippi. I will.

Mr. McLAUGHLIN of Michigan. Has this claimant returned to take up his own work under the Government?

Mr. STEPHENS of Mississippi. Yes. He went back to work there, but he was able to do only very light work. I do not remember that I asked him his age, but he must be 70 years of age.

Mr. McLAUGHLIN of Michigan. Is he receiving the same salary now that he did before the injury?

Mr. STEPHENS of Mississippi. I think he is receiving practically the same salary; yes, sir.

Mr. McLAUGHLIN of Michigan. Then his loss, so far as money is concerned, was for being deprived of his salary during his absence in the hospital?

Mr. STEPHENS of Mississippi. Yes, sir. Then, of course, he had to defray his doctor's bill, and the man has suffered a great deal through all these years.

Mr. McLAUGHLIN of Michigan. I speak only of the money loss.

Mr. STEPHENS of Mississippi. I think the monetary loss is what you say.

Mr. McLAUGHLIN of Michigan. He did not receive a salary while he was absent?

Mr. STEPHENS of Mississippi. I do not think he was allowed the entire salary. I think, perhaps, he had 30 days' sick leave during that time.

Mr. McLAUGHLIN of Michigan. Do you know if the custom of that department is if a man is injured in the service and it necessitates his absence from duty longer than the 30 days' leave that is given, that he is stricken from the roll and not permitted to draw any of the stipend?

Mr. STEPHENS of Mississippi. I do not think he was stricken from the roll. I think he was allowed to continue in the employ of this department.

Mr. McLAUGHLIN of Michigan. If there is any foundation for this claim, it would be in the idea that the Government was to blame for the injury and not the man himself, and under those circumstances, it seems to me, he ought not to have been deprived of his wages during the time he was in the hospital or unable to perform his work.



Mr. STEPHENS of Mississippi. It was held, I will say to the gentleman, that this man did not fall within the compensation act of 1908. Some of the employees of the Government when injured are compensated.

Mr. McLAUGHLIN of Michigan. We would have provided a fixed compensation under that act?

Mr. STEPHENS of Mississippi. Yes, sir.

Mr. McLAUGHLIN of Michigan. I was speaking of the burden resting on the Government to continue that man on the roll and pay him wages for the injury, which was the fault of the Government and not that of the man himself.

Mr. STEPHENS of Mississippi. It appeared clear to the committee that the injury was the fault of the Government and not of the man.

Mr. McLAUGHLIN of Michigan. The amount of money allowed him, then—\$1,000—is evidently small enough.

Mr. STEPHENS of Mississippi. We thought so.

Mr. FOSTER. How much would he get under the compensation act of 1908 if he received it under that law?

Mr. STEPHENS of Mississippi. About the amount, I think, the committee allowed.

Mr. STAFFORD. What is the basis of the gentleman's statement? The gentleman is making some statements that are not supported by the report.

Mr. STEPHENS of Mississippi. I do not understand.

Mr. STAFFORD. The gentleman is acquainted with the report. I know he does not do it intentionally.

Mr. STEPHENS of Mississippi. I do not know what the gentleman means by that statement. I would like to have him say.

Mr. STAFFORD. The gentleman said this man was out of work for several months.

Mr. STEPHENS of Mississippi. I did not say "several months."

Mr. STAFFORD. Two months?

Mr. STEPHENS of Mississippi. Something like that—two or three months.

Mr. STAFFORD. The report showed that he was confined to his bed only three weeks; and he was only disabled from performing his duty from December 27 to February 7.

Mr. FOSTER. He was able to do only a little work.

Mr. STAFFORD. Though the record does not show, and I believe I am not indulging in a wild assumption when I say that he is one of the old men connected with the Land Office who is carried on the rolls as a pensioner.

Mr. STEPHENS of Mississippi. I will say to the gentleman that the records show he was incapacitated from regular work, and when he came back he was allowed to do very light work, about two months later. For quite a little time he was not in condition to do work of any moment at all. Therefore he was practically out of business, as I said, for two or three months.

Mr. FOSTER. As I understand, under the compensation law for a death they gave a year's salary. Many of them have been denied further compensation than the one year's salary, whatever it might be. This man was not killed, but went back to work to do something, at least, in the course of a few months. It does not seem to me that under that compensation law he would be entitled to a thousand dollars. I have not looked it up; I have forgotten about it. When I served on the Committee on Claims I used to be more familiar with the law than I am now. I do not remember, but it seems to me it would not be a thousand dollars.

Mr. MANN. Under the compensation act he would be paid only for the time he was absent.

Mr. FOSTER. Yes. As to these cases that did not come under the compensation act we have always settled them on the basis of the compensation act of 1908.

Mr. MANN. We have endeavored to settle them on the basis that they should not receive more than a year's pay, which was the utmost allowed by the compensation act.

Mr. FOSTER. That was for very severe injury or death.

Mr. MANN. Even then we paid it on the theory that we would not allow more than that, and we have allowed that in a good many cases where they would not have received it under the compensation act.

Mr. FOSTER. I know we investigated a number of very pitiable cases that excited the sympathy of every Member, but we did not go beyond one year's salary for a death.

Now, if this man was out but a few weeks or a few months and went back and received his salary in full, it seems to me we are doing more for him than we did for those in the past.

Mr. MANN. Of course.

Mr. FOSTER. And I do not think we ought to establish a precedent of this kind.

Mr. EDMONDS. I want to call attention to the fact that the committee has given him this \$1,000 on account of the fact that he was permanently injured.

Mr. FOSTER. He is drawing a salary from the Government.

Mr. EDMONDS. Of course. He is permanently injured, and Secretary Lane states in his letter that he is of opinion that he should have some compensation.

Mr. FOSTER. He is drawing the same salary that he formerly received?

Mr. EDMONDS. I think he is.

Mr. FOSTER. It seems to me that giving him a thousand dollars is more than we have been doing in the past for others.

Mr. STEPHENS of Mississippi. It has been done time after time.

Mr. BLANTON. Mr. Chairman, the committee, as stated by the gentleman from Pennsylvania [Mr. EDMONDS], based its action, as I understand it, on this language by the Secretary of the Interior:

Mr. Allen was unable to return to his official duties until February 8, 1916, and he has not entirely recovered to this time from the injuries inflicted and will probably never be restored to his former physical condition.

I am therefore of the opinion that Mr. Allen should be compensated for the injuries he sustained.

Like my friend from Illinois [Mr. FOSTER], I think that the compensation is excessive; I believed that \$500 was maximum compensation, in view of the fact that he drew all of his wages. He lost none of his wages while he was out of the office for some time. When he came back he got his pay. I think \$500 really is an excessive amount, but I was willing to give that amount. But in view of the fact that all my colleagues on the committee agreed to reduce the claim from \$3,000 to \$1,000 and all insisted on giving him a thousand dollars, I did not see fit to fight their action in the committee.

Mr. FOSTER. I am not sure that he ought to have anything.

Mr. STAFFORD. Mr. Chairman, this is a claim to reimburse an old person, 74 years of age, for some slight injuries that occurred in the performance of his work, from no fault of his. I take it, although the report does not show that. I will concede that. And his injury came not through any negligence of the Government. He was in the filing room of the Land Office and some books and files fell down, which resulted, according to the certificate of the physician, in contusion of the abdomen and an abrasion of the knee. The accident occurred on December 27, 1916.

Mr. McLAUGHLIN of Michigan. Nineteen hundred and fifteen.

Mr. STAFFORD. Yes; 1915. He was confined to bed for three weeks. He resumed his duties on February 8, 1916. He was receiving a salary of \$1,200—a man 74 years of age. It is not a radical assumption that he was a pensioner—a clinger-on to the Government pay roll—and is to-day. There are many such men in all our departments. That is one of the great questions before the Government in the administration of its affairs—that we keep on the salary rolls men who are of no value in the administration of its affairs and pay them a salary of \$1,200, or thereabouts, because we have no civil pension list. He returns to duty, and the only permanent injury, as disclosed by the report, is that he is nervous. A man suffers an abrasion of the knee.

I want to treat this man as he deserves to be treated, but if he were in private employment he would not have the nerve to ask any such amount as \$3,000. He would be glad to receive his salary, such as he receives from the Government, and the expenses of his sickness and hospital charges. But no; he retains his position with the Government and makes a claim for \$3,000 upon that statement. This superannuated employee was only out of the service for six weeks and confined to bed for only three weeks, and the only permanent injury is nervousness; the committee reports in favor of paying him \$1,000.

I say we should not establish the precedent here to pay any of the Government employees when they are so slightly injured as this man is. There is another bill on the calendar substantially similar in extent, to pay a man \$1,000.

I am going to be liberal. I am going, Mr. Chairman, to move—so that they can not say that I have no milk of human kindness toward the Government employees and toward this superannuated old employee—to reduce the amount of \$1,000 to \$250. We are pensioning him at \$1,200 a year. He has not lost any salary at all. I do not believe that he should receive anything. With consummate nerve, suffering only from that slight injury, and the Government keeping him on the pay roll at \$1,200, he comes here and asks for reimbursement to the extent of \$3,000.

Mr. SLOAN. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. SLOAN. Is the gentleman giving evidence of his milk of human kindness by reducing this old man's claim from \$1,000 to \$250? Does not that indicate that the gentleman's milk of human kindness is considerably soured? [Laughter.]

Mr. STAFFORD. No. That is the kind of logic that the gentleman from Nebraska usually uses in this Chamber, because the gentleman from Nebraska has the reputation of pouring more bitter gall on the other Members of this Chamber than any other Member of this body.

Mr. BLANTON. Mr. Chairman, I desire to be recognized, being a member of the committee, to speak on this question. Under the law this man is not entitled to a single dollar. Anything that is given him here is merely a bounty given by this Government. I quite agree with the gentleman from Wisconsin [Mr. STAFFORD] that the committee has been too liberal in passing upon this case. I do not think that a precedent should be set here to pay every man who gets injured unless he comes within the purview of the law. We have a law providing for the compensation of injured employees. To get compensation he should bring himself within the provisions of this statute. I do not think we should set a precedent out of the bounty of the people's money by paying every person who gets hurt.

As stated, this man was in bed only three weeks. He was 74 years of age at the time he was hurt. If he had been younger, he probably would not have been injured. Of course, he can not be condemned because he is old, but I take it that he was hurt primarily because he was old, and that if he had been a younger and more active man he would have gotten out of the way when the cases fell. I think \$250 would be a maximum amount out of the bounty of the people's money, and I hope the amendment offered by the gentleman from Wisconsin will be passed.

Mr. STEPHENS of Mississippi. Mr. Chairman, in answer to the gentleman from Wisconsin, the record shows that this man suffered more than from bruise of the knees. The doctor's certificate states that he suffered contusion of the abdomen, with shock and contusion of abdominal contents, contusion and abrasion of knees.

It is stated further that this man had become very nervous since the accident. It is not surprising that he should become so, because it is stated by the employees in that department that it required them, with the assistance of 15 or more men, 20 minutes to take him out from under the files and books which covered him up. I did not prepare this report, but it happens that there is nothing stated in it in regard to his present condition. Only a few days ago, the first time I ever saw the old gentleman, I did see him, and he was in the same condition that the doctor stated, to wit, he was very nervous. The old man is almost a nervous wreck. As I said a moment ago, it is not surprising that that condition should come upon him, covered up as he was for 20 minutes under these heavy books and file cases, suffering, not as the gentleman says, with some abrasions of the knees, but contusion of the abdomen, shock, and contusion of the abdominal contents.

I think, Mr. Chairman, that the House ought not to allow this old man so small a sum as \$250. It is my judgment that he ought to be allowed a reasonable and decent sum or nothing at all.

The CHAIRMAN. The question first is on the committee amendment, which the Clerk will report.

The Clerk read as follows:

Page 1, line 6, strike out the figures "\$3,000" and insert "\$1,000, in full settlement of all claims against the Government."

Mr. STAFFORD. Mr. Chairman, I offer an amendment to the committee amendment. Strike out "\$1,000" and insert "\$250."

The Clerk read as follows:

Amendment by Mr. STAFFORD to the committee amendment: Strike out "\$1,000" and insert "\$250."

The CHAIRMAN. The first question is on the amendment to the committee amendment offered by the gentleman from Wisconsin.

The question was taken; and on a division (demanded by Mr. BLANTON) there were 6 ayes and 27 noes.

Mr. BLANTON. Mr. Chairman, I make the point of order that no quorum is present.

Mr. STEPHENS of Mississippi. Mr. Chairman, I move that the committee do now rise.

The question was taken; and the Chairman announced that the noes had it.

Mr. STEPHENS of Mississippi. I demand tellers.

Tellers were ordered, and the Chair appointed Mr. STEPHENS of Mississippi and Mr. BLANTON as tellers.

The committee again divided; and the tellers reported—ayes 2, noes 58.

So the committee declined to rise.

Mr. GARRETT of Tennessee. Has the Chair declared that no quorum is present?

The CHAIRMAN. The Chair has not.

Mr. MANN. The point of no quorum was made some time ago.

Mr. GARRETT of Tennessee. But the Chair has not declared that no quorum was present.

Mr. BLANTON. Mr. Chairman, I withdraw my point of order, and I offer the following amendment.

The Clerk read as follows:

Amend the committee amendment by striking out "\$1,000" and inserting "\$500."

Mr. MANN. That amendment is not in order unless the other amendment is withdrawn.

The CHAIRMAN. The Chair has declared the amendment of the gentleman from Wisconsin as not agreed to, and it was not agreed to.

Mr. BLANTON. Mr. Chairman, I understand this is acceptable to the chairman of the committee and his associates.

Mr. STEPHENS of Mississippi. The gentleman from Texas is mistaken. I told him to see the author of the bill.

Mr. BLANTON. I have seen him, and the gentleman from Pennsylvania [Mr. BRODBECK] is willing to accept it.

Mr. BRODBECK. I am willing to accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas to the committee amendment.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 41, noes 13.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question now recurs on the committee amendment as amended.

The committee amendment as amended was agreed to.

Mr. STEPHENS of Mississippi. Mr. Chairman, I move that the bill as amended be reported back to the House with the recommendation that it pass.

The CHAIRMAN. The gentleman from Mississippi moves that the bill be reported to the House with the recommendation that as amended it do pass.

The motion was agreed to.

MRS. W. E. CRAWFORD.

The next business on the Private Calendar was the bill (H. R. 2012) for the relief of Mrs. W. E. Crawford.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury of the United States not otherwise appropriated, to Mrs. W. E. Crawford the sum of \$140.40 in full compensation for services rendered as auxiliary carrier of mails at Decatur, Ala., from February 28, 1914, to June 28, 1914.

Mr. ALMON. Mr. Chairman, I will make this explanation: This bill is to appropriate \$140.40 to Mrs. Crawford for services rendered as auxiliary letter carrier. It is admitted by the Post Office Department that the services were rendered, and the amount is due and unpaid, but that for technical reasons the department did not see proper to pay the claim, because it was claimed that there was a civil-service register from which the postmaster should have selected some one to render this service. It is claimed by the Post Office Department that the postmaster knew that there was such a register and had been notified to make the selection from the register. It was claimed that the notice was given to him by the secretary of the Civil Service Commission. The postmaster says that he did not receive notice. The records fail to disclose any such notice to the postmaster, and even if the postmaster did have knowledge of it, Mrs. Crawford, who rendered the service, had no notice of it. I made this explanation before the committee at the last session of Congress, and the bill passed this House unanimously, but failed to pass the Senate for want of time.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. ALMON. Yes.

Mr. STAFFORD. As I recall the reading of the report, she was paid up to March 28, 1914.

Mr. ALMON. Up to the time it was claimed that the Civil Service secretary notified the postmaster to discontinue her services. The postmaster states that he had no such notice, and that Mrs. Crawford was continued in the service until June 28, 1914, at \$1.50 a day.

Mr. STAFFORD. Was not the postmaster compensated at the time when he might have obtained a person from the civil-service register?

Mr. ALMON. She was paid up to the time the claim the civil-service secretary gave the notice to the postmaster; and while



It appears there was a civil-service register, the postmaster states that he could not have gotten anyone to serve from that register if he had gotten the notice.

Mr. STAFFORD. The bill states that he was paid for services from February 28, 1914, to June 28, 1914. The Postmaster General's letter in the third paragraph from the end says:

In the settlement of the postmaster's accounts, after very careful consideration by this department and the Civil Service Commission of all the facts in the case, this department allowed the postmaster's claim up to March 28, 1914, the date on which the postmaster was given a clear understanding of the situation by the district civil-service secretary.

Mr. ALMON. Yes.

Mr. STAFFORD. They allowed his claim up to March 28.

Mr. ALMON. I am asking for pay from February 28, 1914, to June 28, 1914.

Mr. STAFFORD. But he was allowed compensation, according to the Postmaster General, up to March 28, 1914, and I am rising to inquire whether the gentleman is not giving him more pay than he is entitled to, paying him for time for which he has already received compensation.

Mr. ALMON. No.

Mr. STAFFORD. There is surely some confusion here somewhere.

Mr. ALMON. The report says:

This bill is for the payment of \$140.40 earned by Mrs. Crawford as temporary auxiliary carrier of the mails at Decatur, Ala., for February 28 to June 28, 1914.

That is in the report.

Mr. STAFFORD. I think this is a mathematical error. The bill itself provides for the payment for services from February 28, 1914, to June 28, 1914. I direct the attention of the chairman of the committee to the statement as contained in the Postmaster General's letter which I just read. There is some conflict there. You are paying him in addition to what he has already received compensation for.

Mr. ALMON. There may be a difference in date there, but there is no question about the amount.

Mr. STAFFORD. The record of the department shows that he was allowed compensation up to March 28, 1914. I go further and I read—

Mr. ALMON. I am only asking in the bill for payment after February 28.

Mr. STAFFORD. I know, but he already received compensation up to February 28.

Mr. ALMON. I see what the gentleman means now.

Mr. STAFFORD. There is a conflict there, whereby you are paying him money for the month for which he has already received compensation.

Mr. ALMON. The bill ought to be amended so as to make it March 28. The amount is correct. There is no question about that.

Mr. MANN. I think he was only paid up to February 28.

Mr. ALMON. That is the way my bill reads.

Mr. STEPHENS of Mississippi. On page 10 of the report the First Assistant Postmaster General, Mr. Roper, fixed the time from February 28 to June 28, 1914.

Mr. STAFFORD. But the gentleman is reading from a letter of date March 25, 1915, and I am reading from the latest expression by the department, February 5, 1916, on page 2 of the report, the first letter in the report.

I will continue reading to show that while this postmaster has no technical right for reimbursement after February 28, 1914, notwithstanding the department allowed him compensation up to March 28, 1914, and in support of that position I will continue the reading where I left off a minute ago:

Under a strict application of civil-service rules the postmaster's claim should not have been allowed beyond the date on which the eligible register was established, February 28, 1914, but because of his ignorance and misunderstanding of the rules the Civil Service Commission agreed to approve Mrs. Crawford's employment until the date mentioned above.

What was that date? Originally March 28, 1914. There was one month's compensation for which she has already received allowance. Originally, as the letter of the First Assistant points out, and which is supported by the position of the Postmaster General, he is technically entitled to no money after February 28, but the Post Office Department allowed him compensation up to March 28, 1914.

Mr. WELLING. But if the gentleman will continue reading, and read the next paragraph—

The amount stated in the bill is the amount disallowed in the postmaster's account.

So if there is any confusion in these dates it certainly does not go to the amount that the bill asks for of \$140.

Mr. STEPHENS of Mississippi. The very next sentence below where the gentleman stopped reading shows that.

Mr. STAFFORD. This is a small matter; I went over it carefully some months ago and I gained the impression from my reading of the full report, which is of some 14 pages—I may have wasted a lot of time, perhaps, on the matter—that he was not entitled to that \$140, and I base that upon the statement of the postmaster. This is a letter addressed by the First Assistant Postmaster, January 20, 1915:

I therefore ask that you suspend the small technicality of the law and authorize the payment of this amount; also that the amount already expended, \$40.50, from February 27 to March 31, 1914, be paid. The total amount of these sums held up is \$140.40.

That confirms what I said originally. The postmaster asks for compensation from February 28 up to June 28 of a total of \$140. In that amount there was a claim for \$40.50 from February 27 to March 31, and the Postmaster General states he has been allowed that up to March 28. On that basis you are giving her about \$35 or \$40 more than to which she is entitled.

Mr. ALMON. It will amount to \$140.40, at \$1.50 a day, for the time the gentleman claims.

Mr. STAFFORD. I read this very carefully, and I could not arrive at any other conclusion but that he had received this by reason of the courtesy of the Postmaster General.

Mr. ALMON. There is no mistake in the amount of the claim.

Mr. STAFFORD. From his own statement he says the total amount, February 28 to June 28, is \$140.40. This amount, February 27 to March 31, was \$40.50, and the total amount of those sums held up is \$140.40. The Postmaster General claimed he receded from his original position and says, "We will pay you up to March 28, 1914."

Mr. MANN. Mr. Chairman, probably this claim will be allowed and paid, yet it involves quite an important general proposition. We have had a great many complaints on our side of the House that there has been quite a disregard of the civil-service law in many branches of the Government in recent days, months, and years. Many have been employed for duty, and let us assume they have performed the service, where the law provided they should not have been appointed. We have had complaints of that character. Now, here is a case where the Postmaster General reports—and there is no controversy about it—that the postmaster first ignorantly disregarding the civil-service law appointed his wife as a carrier of mail. She has been paid for the time while he was in ignorance. She was appointed when there was no civil-service register for the place. Afterwards a civil-service register was posted and the department says the postmaster was fully cognizant of the fact and of the law but he deliberately, according to the statement of Gen. Burleson, disregarded the law and continued the appointment of his wife, and—so far as I know there is no reason why he should not have appointed his wife to perform the service; maybe he could not have gotten anybody else to do it as well—deliberately disregarded the law. The Civil Service Commission after consideration of the case authorized the payment of the time while he was in ignorance but declined to authorize the payment of compensation after he knew better. The Postmaster General winds up his letter on the subject in the report on this bill in this way:

There is no question as to the performance of the service by Mrs. Crawford, but this department can not recommend the enactment of this bill because the postmaster persistently and knowingly violated the civil-service rules.

Now, the lady who performed the service was probably as well posted on the subject as her husband who made the appointment. Of course the service so performed would not have cost any less to have it performed by somebody else, but after all it is a question, where the service is required and performed and appointment has been made in flat violation of law, with a willful disregard of law, whether Congress should take special action to pay the person who has not only himself or herself disregarded the law, but whose superior making the appointment disregarded the law. Why should not anybody disregard the law in reference to appointment if they are to be paid just the same as though the law had been complied with?

Mr. ALMON. Mr. Chairman, just another word. The statement of the Postmaster General that the postmaster had notice of the civil-service register is based upon the statement that the civil-service secretary had given the notice to the postmaster. There is nothing in the record, there is nothing furnished by the Post Office Department showing that the civil-service secretary gave the notice to the postmaster. The postmaster states positively that he did not have the notice. Now, if the postmaster had gotten the notice from the civil-service register then there would be something on which the Postmaster General could have based this statement, and if that notice was given by the civil-service secretary to the postmaster there

ought to be some evidence of it, and some record of it should have gone into this hearing before the committee.

It is not in there, which corroborates the postmaster when he makes his statement that he did not get such a notice, and for that reason he continued Mrs. Crawford in the service. It is stated the lady who did this work was the wife of the postmaster. That is true, and his predecessor had his daughter in this service for many years. It is usual and customary down there. And besides that, there is no question but that her work was efficient and that she performed it faithfully and well. The hearings show that just before that time by the civil-service register that there were four or five on the register, and the postmaster was unable to get anyone of them to serve. Now, this same question was raised, and my good friend from Illinois [Mr. MANN] reserved his objection when we had it up last Congress, and when I made this explanation he withdrew his objection, and I am quite sure he is not going to oppose the passage of the bill at this time.

Mr. MANN. I am not.

Mr. STAFFORD. Will the gentleman yield?

Mr. ALMON. Yes.

Mr. STAFFORD. Has the gentleman examined the record since I addressed the House as to the amount? I can not, after going over it again, find that I am in error in my position that she was paid this \$40 from February 28 to March 28.

Mr. ALMON. No. I have been listening to the gentleman from Illinois [Mr. MANN].

Mr. SHALLENBERGER. I have computed it at \$1.50 a day for 93 days, which, of course, is \$139.50. She evidently was paid for the extra month, but still has \$139.50 under the bill.

Mr. ALMON. The statement shows that the auxiliary letter carrier was allowed \$1.50 a day.

Mr. EDMONDS. I would like to call the attention of the gentleman from Wisconsin to the fact that in the same letter the postmaster states the amount in the bill is the amount disallowed in the postmaster's account.

Mr. STAFFORD. After he had been given an allowance.

Mr. MANN. This claim is for 93 days.

Mr. ALMON. Yes.

Mr. MANN. That would be from March 28 to June 28 and not from February 28. From February 28 to June 28 is four months.

Mr. ALMON. Mr. Chairman, I move to amend the bill in the eighth line by striking out "February" and inserting in lieu thereof "March."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Mr. ALMON moves to amend, page 1, line 8, by striking out the word "February" and insert in lieu thereof the word "March."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ALMON. I move that the bill be reported to the House as amended, with the recommendation that it do pass.

The motion was agreed to.

Mr. LONDON. Mr. Chairman, may I ask unanimous consent that the committee take up out of order a bill, No. 144 (H. R. 8473), page 36? It is the only private bill I have introduced. It will take but a minute or two.

Mr. BROWNING. Mr. Chairman, I object. I have a bill on the calendar.

Mr. FAIRFIELD. I have one bill on the calendar, and it comes next.

The CHAIRMAN. The gentlemen object.

IRA G. KILPATRICK AND GUY D. DILL.

The next bill in order on the Private Calendar was the bill (H. R. 8444) for the relief of Ira G. Kilpatrick and Guy D. Dill. The bill was read, as follows:

*Be it enacted, etc.,* That the title of Ira G. Kilpatrick and Guy D. Dill, as tenants in common, in and to the west half of the southeast quarter of section 3, township 32 north, range 8 east, in the district of lands subject to sale at Fort Wayne, Ind., in Whitley County, Ind., as assignee from Jonathan Pearson, by conveyance be, and the same is hereby, quieted and confirmed, and patent therefor shall issue to the said Ira G. Kilpatrick and Guy D. Dill as tenants in common.

Also the following committee amendment was read:

Committee amendment: After the word "common," in line 11, insert "upon payment to the United States of \$1.25 per acre."

Mr. FAIRFIELD. Mr. Chairman, this bill is a bill to perfect the title for 80 acres of land held for something like over 50 years on a tax title. It was found rather a strange circumstance that they taxed the land, sold the tax title, then went upon it and improved it, and ditched it, and to-day the land is worth perhaps \$50 or \$60 an acre. The bill has passed the House once before, but too late to have action upon it in the Senate.

It has been recommended by the committee and also by the Secretary of the Interior.

Mr. Chairman, I move that the bill be laid aside with a favorable recommendation.

The CHAIRMAN. The question first arises on the committee amendment.

The question was taken, and the committee amendment was agreed to.

The CHAIRMAN. The question now recurs on the motion made by the gentleman from Indiana to lay aside the bill H. R. 8444 as amended, with a favorable recommendation.

The motion was agreed to.

Mr. STEPHENS of Mississippi. Mr. Chairman, I move that the committee do now rise and report the bills back to the House with the recommendations of the committee.

The CHAIRMAN. A motion is made by the gentleman from Mississippi that the committee do now rise and report the bills back to the House with the recommendation, in some instances, that the bills be laid on the table and, in other instances, that the bills, with and without sundry amendments, be passed.

Mr. MANN. Not all of them should pass. They should be reported back to the House, with the recommendations made by the committee.

The CHAIRMAN. That motion is made by the gentleman from Mississippi. The question is on agreeing to the motion.

The motion was agreed to.

Thereupon the committee rose; and the Speaker having resumed the chair, Mr. GARD, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration certain bills on the Private Calendar and had directed him to report the same back to the House, with the recommendation that as to some of them they be laid on the table, and that as to others, some with amendments and some without amendments, that they be passed.

The SPEAKER. The Chairman of the Committee of the Whole House on the state of the Union reports that that committee has had under consideration sundry bills and has directed him to report the same back to the House, some with amendments and some without, with the recommendation that the amendments be agreed to and that the bills do pass, and three with the recommendation that they lie on the table. The Clerk will report the first of these bills.

STEAMSHIP "CALDERA."

The Clerk read as follows:

A bill (H. R. 4988) to authorize the changing of the name of the steamship *Caldera*.

The SPEAKER. Without objection, it will lie on the table. There was no objection.

COL. DAVID L. BRAINARD.

The Clerk read as follows:

A bill (S. 979) for the promotion and retirement of Col. David L. Brainard, Quartermaster Corps, United States Army.

The SPEAKER. Without objection, the bill will lie on the table, according to the recommendation of the committee.

There was no objection.

CLAIMS AGAINST THE CHOCTAW AND CHICKASAW NATIONS.

The Clerk read as follows:

A bill (H. R. 329) referring certain claims against the Choctaw and Chickasaw Nations of Indians to the Court of Claims.

The SPEAKER. Without objection, it will lie on the table. There was no objection.

MARY NEAF.

The Clerk read as follows:

A bill (H. R. 7715) for the relief of Mary Neaf.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

HARRIET FISHER.

The Clerk read as follows:

A bill (H. R. 855) for the relief of Harriet Fisher.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

ALEXANDER F. McCOLLAM.

The Clerk read as follows:

A bill (H. R. 1423) for the relief of Alexander F. McCollam.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.



DAVID E. GRAY.

The Clerk read as follows:

A bill (H. R. 1607) for the relief of David E. Gray.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

WILLIAM M. WILSON.

The Clerk read as follows:

A bill (H. R. 2635) to authorize the issue of a patent to certain land in Alabama to William M. Wilson.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

ALMA HARRIS.

The Clerk read as follows:

A bill (H. R. 4240) for the relief of Alma Harris.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

THOMAS CAMPBELL.

The Clerk read as follows:

A bill (H. R. 1873) for the relief of Thomas Campbell, with amendments.

The SPEAKER. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

CHARLES LYNCH.

The Clerk read as follows:

A bill (H. R. 1954) for the relief of Charles Lynch, with amendments.

The SPEAKER. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

JEREMIAH STOVER.

The Clerk read as follows:

A bill (H. R. 667) for the relief of Jeremiah Stover.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

CLEMENT H. COLE.

The Clerk read as follows:

A bill (H. R. 3090) for the relief of Clement H. Cole, with amendments.

The SPEAKER. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

MARSHALL POOL.

The Clerk read as follows:

A bill (H. R. 2492) to establish the military record of Marshall Pool.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

MAJ. CHALMERS G. HALL.

The Clerk read as follows:

A bill (S. 3299) authorizing the President to reappoint Maj. Chalmers G. Hall, retired, to the active list of the Army.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

JENNIE M. HEATH.

The Clerk read as follows:

A bill (H. R. 10225) striking from the pension roll the name of Jennie M. Heath.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

THOMAS J. ROSE.

The Clerk read as follows:

A bill (H. R. 925) for the relief of Thomas J. Rose, with amendments.

The SPEAKER. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

MARY J. LACEY.

The bill (H. R. 8856) for the relief of Mary J. Lacey, reported from the Committee of the Whole without amendment, was ordered to be engrossed and read a third time, was read the third time, and passed.

THOMAS G. ALLEN.

The bill (H. R. 4610) to compensate Thomas G. Allen for injuries received while employed in the General Land Office of the United States, and making an appropriation therefor, was reported from the Committee of the Whole with an amendment.

The amendment was agreed to and the bill as amended ordered to be engrossed and read a third time, was read the third time, and passed.

MRS. W. E. CRAWFORD.

The bill (H. R. 2012) for the relief of Mrs. W. E. Crawford was reported from the Committee of the Whole House with an amendment.

The amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

IRA G. KILPATRICK AND GUY D. DILL.

The bill (H. R. 8444) for the relief of Ira G. Kilpatrick and Guy D. Dill was reported from the Committee of the Whole with an amendment, the amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read a third time, and passed.

Mr. STEPHENS of Mississippi. Mr. Chairman, I move to reconsider the votes whereby the several bills were passed and that that motion lie on the table.

The motion was agreed to.

SALE OF LANDS MISSOULA COUNTY, MONT.

Mr. EVANS. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 9865) to authorize the sale of certain lands to school district No. 28, of Missoula, Mont.

The Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Interior be, and he is hereby, authorized, in his discretion, to sell and convey to school district No. 28, of Missoula County, Mont., the southwest quarter of the southwest quarter of the southeast quarter of section 36, township 21 north, range 20 west, on the Flathead Indian Reservation, in Montana, or so much thereof as may be required, for public school purposes, under such terms and regulations as he may prescribe, at not less than its appraised value; and the net proceeds from the sale of said land shall be deposited in the Treasury of the United States to the credit of the Flathead Indians, to draw interest at the rate now provided by law, and to be used for the benefit of the Indians on the Flathead Indian Reservation: *Provided,* That the patent therefor shall contain the condition that Indian children residing in the said school district No. 28 shall at all times be admitted to the privilege of attendance and instruction on equality with white children.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. EVANS. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection?

There was no objection.

Mr. ROBBINS. May I ask at what price these lands are to be sold? This is a quarter section?

Mr. EVANS. No; there is only about 10 acres of the land. The land was appraised by a commission and was turned over to the town of Ronan. But the town of Ronan can not turn it over to the school district, and there is no other way to make it available except by this legislation.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. EVANS, a motion to reconsider the vote whereby the bill was passed was laid on the table.

#### LEAVE OF ABSENCE.

Mr. MARTIN, by unanimous consent, was granted leave of absence for 15 days on account of important business.

#### ENROLLED BILL SIGNED.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 11709. An act granting the consent of Congress to Norman County, Minn., and Traill County, N. Dak., to construct a bridge across the Red River of the North on the boundary line between said States.

#### ADJOURNMENT OVER.

Mr. KITCHIN. Mr. Speaker, on yesterday unanimous consent was given that when the House adjourns to-day it adjourn to meet on Monday next. I ask unanimous consent to modify that so that when the House adjourns to-day it adjourn to meet on Saturday next, with the understanding that nothing will be done on Saturday except the filing of the report of the Committee on Rivers and Harbors, and then a motion to adjourn will be made immediately thereafter.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to modify the order of yesterday that when the House adjourns it adjourn to meet next Monday so that it will meet on Saturday next. Is there objection? [After a pause.] The Chair hears none.

#### ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 43 minutes p. m.) the House, under its previous order, adjourned until Saturday, December 21, 1918, at 12 o'clock noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting a communication from the Secretary of Agriculture submitting a supplemental estimate of appropriation required by the Department of Agriculture for the eradication of the potato wart (H. Doc. No. 1605); to the Committee on Agriculture and ordered to be printed without illustrations.

2. A letter from the Secretary of War, transmitting a tentative draft of a bill to prohibit intoxicating liquors and prostitution within the Canal Zone, and for other purposes (H. Doc. No. 1606); to the Committee on Military Affairs and ordered to be printed.

3. A letter from the Acting Secretary of State, transmitting copy of a dispatch from the American minister at Panama communicating a copy of the resolution adopted by the National Assembly of Panama on November 11 last, felicitating the Government of the United States and the Governments of the allies on the signature of the armistice on November 11, 1918 (H. Doc. No. 1607); to the Committee on Foreign Affairs and ordered to be printed.

4. A letter from the Secretary of Commerce, transmitting a statement of the expenditures in the Coast and Geodetic Survey for the fiscal year ended June 30, 1918 (H. Doc. No. 1608); to the Committee on Expenditures in the Department of Commerce and ordered to be printed.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. BRUMBAUGH, from the Committee on Railways and Canals, to which was referred the bill (H. R. 11579) to authorize the appointment of a board of engineers to make a preliminary location, survey, and plans for a canal connecting the waters of Lake Erie and the Ohio River on the line of the Miami & Erie Canal from Toledo to Cincinnati, Ohio, and from a point near Defiance, Ohio, to a point in the southerly end of Lake Michigan, and to estimate the cost thereof, reported the same with amendment, accompanied by a report (No. 875), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. DENT, from the Committee on Military Affairs, to which was referred the bill (H. R. 13274) to provide relief where formal contracts have not been made in the manner required by law, reported the same with amendment, accompanied by a report (No. 877), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. RAYBURN, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 13306) to authorize the payment of allotments out of the pay of enlisted men in certain cases in which these payments have been discontinued, reported the same with amendment, accompanied by a report (No. 876), which said bill and report were referred to the House Calendar.

#### PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MONDELL: A bill (H. R. 13441) to authorize advances to the reclamation fund, and for the issue and disposal of certificates of indebtedness in reimbursement therefor; to the Committee on Ways and Means.

By Mr. GOULD: A bill (H. R. 13442) authorizing and providing for the purchase of land abroad for military cemeteries, and for their preservation and maintenance, in which to inter the remains of officers and enlisted men of the American Expeditionary Forces killed in battle or who have died abroad; to the Committee on Military Affairs.

By Mr. GREEN of Iowa: A bill (H. R. 13443) to provide for the organization of an army to be used abroad, known as the Army of Occupation, and the discharge of enlisted men in the military service not included in the Regular Army; to the Committee on Military Affairs.

By Mr. MOTT: A bill (H. R. 13444) to commission members and chief clerks of local and district draft boards; to the Committee on Military Affairs.

By Mr. WELTY: A bill (H. R. 13445) to provide for the registration and Americanization of aliens; to the Committee on Immigration and Naturalization.

By Mr. MORIN: A bill (H. R. 13446) granting the consent of Congress to the county of Allegheny, Pa., to construct, maintain, and operate a bridge across the Allegheny River at or near Sixteenth Street, in the city of Pittsburgh, county of Allegheny, in the Commonwealth of Pennsylvania; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 13447) granting the consent of Congress to the county of Allegheny, Pa., to construct, maintain, and operate a bridge across the Allegheny River at or near Millvale Borough, in the county of Allegheny, in the Commonwealth of Pennsylvania; to the Committee on Interstate and Foreign Commerce.

By Mr. CHARLES B. SMITH: A bill (H. R. 13448) to amend the act entitled "An act to extend temporarily the time for filing applications and fees and taking action in the United States Patent Office in favor of nations granting reciprocal rights to United States citizens," approved August 17, 1916; to the Committee on Patents.

Also, a bill (H. R. 13449) amending section 4904 of the Revised Statutes of the United States; to the Committee on Patents.

Also, a bill (H. R. 13450) amending chapter 143 of the act of March 3, 1883, and for other purposes; to the Committee on Patents.

#### PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARKLEY: A bill (H. R. 13451) to pension Lettie A. Troutman, dependent mother of Charles Troutman, late of the United States Navy; to the Committee on Pensions.

By Mr. PETERS: A bill (H. R. 13452) granting an increase of pension to Elisha S. Perkins; to the Committee on Invalid Pensions.

By Mr. POLK: A bill (H. R. 13453) granting an increase of pension to George W. Shuck; to the Committee on Invalid Pensions.

By Mr. SELLS: A bill (H. R. 13454) granting a pension to Nancy Cook; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13455) granting a pension to William H. Hart; to the Committee on Pensions.

Also, a bill (H. R. 13456) granting a pension to George W. Foust; to the Committee on Invalid Pensions.



Also, a bill (H. R. 13457) granting a pension to David A. Turner; to the Committee on Invalid Pensions.

By Mr. SLEMP: A bill (H. R. 13458) granting a pension to Hiram Dillon; to the Committee on Pensions.

By Mr. CHARLES B. SMITH: A bill (H. R. 13459) for the relief of George Deitz; to the Committee on Military Affairs.

By Mr. VOLSTEAD: A bill (H. R. 13460) granting a pension to Samuel S. Daniell; to the Committee on Pensions.

By Mr. WHITE of Ohio: A bill (H. R. 13461) granting a pension to Edward C. Crawford; to the Committee on Pensions.

#### PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. ESCH: Evidence to accompany H. R. 13408, granting a pension to Clark Sturdevant; to the Committee on Invalid Pensions.

By Mr. FULLER of Illinois: Petition of A. H. Cohn (Inc.) and Slade, Tenney & Weadley, of Chicago, protesting against a discriminating tax on jewelry, and asking that all industries be taxed alike; to the Committee on Ways and Means.

By Mr. RAKER: Resolution by military order of Loyal Legion of the United States, Commandery of the State of Illinois, requesting Representatives of the Lower House of Congress from State of Illinois to use their endeavors to have Senate bill 130, or the bill prepared by Congressman Raker, reported out that it may come to a vote; to the Committee on Military Affairs.

#### SENATE.

FRIDAY, December 20, 1918.

(Legislative day of Sunday, December 15, 1918.)

The Senate met at 12 o'clock noon, on the expiration of the recess.

Mr. SIMMONS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Jones, N. Mex.	Myers	Smoot
Bankhead	Jones, Wash.	New	Spencer
Culberson	Kellogg	Norris	Sterling
Curtis	Kendrick	Nugent	Swanson
Fernald	Kenyon	Page	Thomas
France	King	Penrose	Townsend
Frelinghuysen	Knox	Pittman	Trammell
Gay	La Follette	Polindexter	Underwood
Gerry	Lenroot	Pollock	Vardaman
Gronna	Lodge	Saulsbury	Walsh
Hale	McCumber	Shafer	Warren
Harding	McKellar	Sheppard	Watson
Henderson	McLean	Simmons	Weeks
Hitchcock	Martin, Ky.	Smith, Ariz.	
Johnson, Cal.	Martin, Va.	Smith, Ga.	
Johnson, S. Dak.	Moses	Smith, S. C.	

Mr. McKELLAR. I desire to announce that the senior Senator from Tennessee [Mr. SHIELDS] is absent on account of illness.

Mr. SAULSBURY. I wish to announce that the senior Senator from Maryland [Mr. SMITH] is necessarily absent on important business of the Senate.

Mr. STERLING. I desire to announce that Senators NELSON, OVERMAN, WOLCOTT, and REED are necessarily absent on official business.

Mr. CURTIS. I wish to announce that the Senator from Illinois [Mr. SHERMAN] is absent on account of illness in his family. I ask that this announcement may stand for the day.

Mr. SHEPPARD. I desire to announce that the senior Senator from Oregon [Mr. CHAMBERLAIN] and the Senator from California [Mr. PHELAN] are detained on important public business.

The VICE PRESIDENT. Sixty-one Senators have answered to the roll call. There is a quorum present.

#### BUSINESS OF THE SENATE.

Mr. LODGE. Mr. President—

Mr. SIMMONS. If the Senator will pardon me, I wish to state to the Senate, in fact I was requested to state to the Senate, that arrangements have been made for an adjournment for the holidays as soon as the revenue bill is passed; that is to say, if the bill is passed on Saturday or on Monday arrangements have been made to recess until the 2d day of January. Of course that would not be the case if we fail to pass the bill by Saturday night or at furthest by Monday.

#### PERSONAL EXPLANATION.

Mr. LODGE. Mr. President, I rise to a question of personal privilege.

I notice in the Associated Press dispatch to the Washington Post this morning the following statement at the end of the dispatch on page 3:

President Wilson continues to receive exhaustive reports of what is going on in Washington and the United States, and he has read the 21 points outlined by Senator Lodge in a speech in the Senate.

What particular form of misinformation has been given to the President or what particular form of misrepresentation of the President is implied in that statement I can not tell, but I do know exactly what the misrepresentation is so far as it affects me. I have made no speech in the Senate, and I have not outlined 21 points or any other number of points.

On the 10th of December I introduced a statement from the executive board of the National Committee of Patriotic Societies, representing 46 leading patriotic war organizations, and I asked that it be printed in the RECORD and referred to the Committee on Foreign Relations. They were resolutions in the nature of a petition. It is needless to say here that we all introduce resolutions and petitions which may not represent our personal views at all, because it is the duty of a Senator to present petitions sent to him by his constituents whether he agrees with them or not. Those 21 points, many of which are excellent, were not mine nor did they represent my views. It represented the views of 46 patriotic war organizations. I hope to-morrow to speak, and then I shall give my own views in my own way. These resolutions included among them "international arbitration and league of nations as complement to the policy of national defense" and "the control of raw materials by the allies."

I do not think myself that the league of nations or any provision looking in that direction ought to be made a part of the peace with Germany. I feel very strongly it should be treated separately entirely. As to the control of raw materials by the allies and the United States, I have never heard of such a proposition except in this way.

As I said, Mr. President, everybody knows that we all present petitions and resolutions which do not represent in the slightest degree our own opinions. That it is well known here is shown by an article printed in the New York World, which speaks about this matter and the interpretation given it abroad, and says:

The newspapers began gravely discussing "Senator Lodge's statement of peace terms." He promptly and properly explains that the communication he offered did not represent his personal views.

I stated that to the press some days ago, and it is known, as that shows, to the American press; and now comes back this thing from Paris, I have no doubt misrepresenting the President, utterly misrepresenting me.

This is not a time, Mr. President, for such misrepresentations to be made. This subject is too important, the utterances here in the Senate carry too much weight for such misrepresentation.

I am told it was said that some newspaper correspondent in New York sent it out that I was going to advocate these 21 points. Of course, that is pure misrepresentation and invention.

Mr. President, it is an illustration of the inaccuracy, to use no harsher word, of the reports which we receive from Paris and which Paris receives from us. To such opinions as correspondents choose to put out I have no objection, but no responsible press association has any right to misrepresent facts in this great debate now going on.

I desired to make this explanation and show the utter falsity of what I have quoted, and I hope that the great press association which committed the error will correct it in Paris.

#### FREEDOM FOR GREEKS.

Mr. SMOOT. I have a telegram from the chairman of an organization of Greek people in the State of Utah, and with it the request of the organization to have it printed in the RECORD. I ask that that may be done.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

PRICE, UTAH, December 19, 1918.

HON. REED SMOOT,  
United States Senate, Washington, D. C.

Kindly present the following resolution to the United States Senate and House of Representatives:

We, 2,000 law-abiding American citizens of Greek descent, residing in Carbon County, Utah, by resolution appeal to the honorable House of Representatives of the United States of America for liberty and unity for the Greek Nationals, all Grecian people residing in Thrace, Asia Minor, Epirus, and the Aegean Islands, who have suffered for 450 years under barbarous Turks. The majority of said territories are Greek. There are in the Vilayets of Constantinople and Adrianopolis 800,000 Greeks, having 658 schools, 1,500 teachers, and 80,000 pupils; North Epirus and Koritsa, 222,000 Greeks, 275 schools, 386 teachers, and 13,000 pupils; Aegean Islands, 105,000 Greeks. All of